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THE LEAGUE'S BUSINESS

League Publications Basis of Court Brief.—Henry S. Manley, assistant attorney general of New York state, has recently made a compilation of arguments in support of the constitutionality of excess condemnation. This has been filed by Hamilton Ward, the attorney-general of New York, in the case of the *City of Yonkers* v. *The M. E. D. Corporation.* Various excerpts from addresses at National Municipal League conventions are found in the compilation. Our book on "Excess Condemnation" by Robert E. Cushman is also liberally quoted. Lawson Purdy's pamphlet on "Why We Need Excess Condemnation," which appeared as a supplement to the NATIONAL MUNICIPAL REVIEW in July, 1923, is included as an appendix to the booklet. This use of our publications is proof of their value and is a real compliment both to the authors and to the publishers.

*

Flowers for the Living.—We have received a considerable number of complimentary letters with reference to the National Conference on Improving Government held in Chicago on November 12, 13 and 14. We value most of all, however, the following comment from a staff member of a national organization who attends scores of conventions every year:

> "Coming from one who must attend a great many conventions, I hope you will realize it is a compliment coming directly from the heart when I say that the Chicago conference was without exception the most interesting and, for me, instructive meeting of this kind that I have attended. I think you and your associates are to be congratulated highly upon every phase of it—program, character of speakers, vigorous discussion, arrangements, etc."

*

The Aftermath of Convention Publicity.—Our Chicago convention received more newspaper publicity than any other of our previous meetings. Newspaper clippings are still coming into the office. By the middle of December we had already received newspaper clippings totaling over 4000 column inches, all of which were based on news reports of convention meetings and addresses.

Nation-wide interest has been aroused in the subject of county management as a result of our convention meeting on that subject. Napa County, California, is now taking steps to reorganize its county government and is seriously considering the county manager plan. A member of the Virginia legislature is planning to introduce to the 1930 session a bill to provide a bona fide and thorough going plan of management for the counties of that state.

By provisions of Act 686 of the 1929 session of California, a County Home Rule Commission was created. The Legislative Counsel of California, located at Sacramento, has been designated to work in connection with the Commission. The Commission is now seriously studying county home rule and county management.

Our committee on county manager plan, headed by Professor John A. Fairlie, of the University of Illinois, with Professor Paul W. Wager, of the University of North Carolina, as secretary, now has in preparation a recommended model county manager law. The committee met in New Orleans in connection with the annual convention of the American Political Science Association. At the meeting, further progress was made in consideration of the proposed model law.

RUSSELL FORBES, *Secretary.*

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EDITORIAL COMMENT

By the decisive vote of 3,611 to 3,157, the people of Hamilton, Ohio, defeated on November 5 an amendment to the city charter to do away with proportional representation for the election of the city council. In the election of councilmen on November 5, the second under proportional representation, five of the seven seats were won by candidates of the City Charter Committee, the organization which was formed three years ago to secure city manager—proportional representation government for Hamilton.

⁂

Between 1924 and 1928 the general taxpayers of Milwaukee paid $4,000,000 for street widening, more than one-half of which should have been financed by special assessments, according to the Citizens' Bureau of Milwaukee. Legal difficulties account for part of the failure to relieve the general taxpayer of the cost of improvements specifically benefiting restricted areas, but the major responsibility is placed on the city council which has been negligent in utilizing the machinery available.

⁂

Mayor Carlson, an old friend of the National Municipal League and for nearly twenty years mayor of Jamestown, New York, has been reëlected mayor of that city by 12,000 votes over his nearest opponent. Mayor Carlson's long term in the executive chair was interrupted when he was defeated two years ago. His reëlection for another term constitutes a gratifying popular confidence in his capacity for municipal leadership.

⁂

Persons who have anything to do with county government should secure a copy of the report on Wayne County (Detroit) finances recently submitted by the board of county auditors analizing the budgets from 1925 to 1929. Expenditures for each year in the period are classified and compared by activities, and explanations of increases are made.

One of the most conspicuous proofs of the general incompetence of county governments is found in their reports of activities and expenditures which are generally unintelligible and frequently misleading. The citizens of Wayne County are therefore to be congratulated in having access to a simple, direct account of how their money is being spent. It is hoped that the pamphlet which is entitled "The Cost of County Government" will be continued as an annual publication.

⁂

In his department of Public Utilities in this issue Dr. Bauer discusses the recent market crash in public utility stocks. He points out the need for effective regulation of rates, particularly in the electric light and power field; in which speculative values exceeded all bounds of reason. The failure of public utility commissions to adjust rates to lowered costs of manufacture tempted promoters and financiers to erect elaborate capital structures controlled by pyramided holding companies and predicated upon impossibly optimistic expectations for the future. Dr. Bauer believes that a public utility, being a business affected with a public interest, should be removed from the field of speculative finance entirely.

*

National Income Doubles in 15 Years The total income of the people of the United States increased $23,470,000,000 in the ten years from 1919, or from $65,949,000,000 to $89,419,000,000 in 1928, according to a copyrighted statement summarizing a report in preparation by the National Bureau of Economic Research. The report shows in detail the annual changes in the national income and its purchasing power from 1908 to 1928. The preparation of the report required more than four years' time. Dr. Willford I. King was in charge of the work.

One of the tables included in the report reveals that the per capita realized income, when measured in dollars current at the various dates, more than doubled between 1909 and 1923, and has since been steadily increasing. In 1928 the average per capita income of all inhabitants of the United States amounted to $749. For a family of five members this would make an income of $3,745. Of course, the total realized income is far from being equally divided.

In the last analysis, taxes are paid from income and when the taxpaying capacity of the people is considered, increases in government expenditures during the last two decades do not appear so extravagant as some tax-reduction advocates would have us believe.

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The Bauer Plan of Utility Regulation The commission on the revision of the public service commissions law in New York[1] has before it for consideration the so-called Bauer plan of valuation for rate-fixing purposes. Readers of the REVIEW are familiar with this plan, which has been discussed frequently by Dr. Bauer in his department of Public Utilities. Briefly, it recommends that public utility commissions, acting under legislative mandate, fix a valuation of existing properties once and for all. Future valuations will be calculated by adding to these base valuations the actual cost of necessary improvements and additions made subsequently. The purpose is to lift the valuation process from the sphere of speculation and guesswork to the plane upon which the rate base may be figured with mathematical accuracy. There is wide dissatisfaction with present methods of public utility regulation in New York and the Bauer plan is receiving careful consideration.

The so-called Prendergast plan, so named after its sponsor, William A. Prendergast, chairman of the New York Public Service Commission, is also before the New York investigating commission. While agreeing with much of Dr. Bauer's criticism of present valuation methods, Chairman Prendergast does not believe that valuations of present properties can be fixed once and for all by governmental mandate. With respect to valuation of new properties, Messrs. Bauer and Prendergast appear to be in accord; it is in the matter of determining the base valuation that they differ.

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[1] See NATIONAL MUNICIPAL REVIEW for September, 1929, p. 385.

Chairman Prendergast believes that an attempt to freeze an unvarying valuation upon the present properties of utility companies, even if specifically authorized by statute, will be unsuccessful if reproduction costs in future years depart widely from the present level. Dr. Bauer recognizes the possibility that the courts might not follow the fixed basic valuation, but believes that the risk should be taken. He points out that to reach the base valuation through agreement with the utilities, as Mr. Prendergast suggests, is impracticable. The New York commission alone would have to come to agreement with about eight hundred utility companies before the new plan of valuation could begin to operate, and it is vain to hope, says Dr. Bauer, that valuations fair to the public could be attained within this generation.

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New Jersey Dallies with Reorganization Although New Jersey's state government exemplifies short-ballot principles as far as elective officials are concerned, the administrative organization follows the old decentralized plan to an unusual degree. The report of the Bright Commission made in 1925, recommending a reduction in the number of agencies and a centralization of fiscal control under the governor, was promptly tabled by all concerned. Only a few copies of the published document were distributed and it is said that the rest were destroyed by interests hostile to reform.

When Governor Larson entered office in January, 1928, he proposed a thorough administrative survey, and in pursuance of appropriations made by the legislature the National Institute of Public Administration was retained to make a survey. Although the report of the Institute has not yet been completed, information relating to certain important recommendations has been released to the press by unknown persons, and seemingly to the embarrassment of the governor.

According to newspaper accounts, the survey terms New Jersey's financial structure "a most archaic and scrambled arrangement." It recommends the abolition as independent offices of the state house commission, the civil service commission, the budget commission, the purchasing agent, and the state printing board. A new department of finance is to be established, to be divided into four bureaus: budgeting, accounting, purchasing, and personnel.

A state income tax is proposed as a means of retaining in New Jersey about $1,500,000 in levies which are now paid to New York by New Jersey residents doing business in that state.

The investigators find that there is no real budget, the so-called budget being merely "a makeshift financial proposal." It is recommended that the state controller, who now not only controls the expenditure of state funds but also audits his own accounts, be relieved of all power other than that of auditor. The office of state purchasing agent is now "mainly a political job." The state house commission is to be absorbed in the department of public works. It is impossible, say the investigators, to develop a system of financial administration as long as the state house commission remains. This commission is composed of the governor, the controller, and the state treasurer. Its method is said to be one of compromise, conference and maneuver, often with a political tinge.

Although reorganization along the lines of the survey report would probably be productive of marked economies in a state which spends probably seventy-five millions of dollars a year (no one knows the exact amount, and less than thirty million dollars appears in the budget), the political gossip is that the governor will discard the recommendations when he prepares his annual report to the 1930 legislature. Heads of agencies to be reorganized are said to feel that the survey proposals would create an upheaval more serious than any advantages gained from reorganization.

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"Why I Believe in the Patronage System"

"I am a firm believer in what is known as the patronage system of making political appointments." Thus writes W. Rupert Davies in this issue of the Review. We do not share Mr. Davies' belief, but compliment him upon his courage in publicly sponsoring a cause which is generally discredited except among those whom we call politicians and is rarely defended publicly.

Mr. Davies makes it clear that he is not referring to the highly technical positions where experts are needed, but simply to the garden variety of government jobs, ranging all the way from letter carriers and lighthouse keepers to judgeships. No men, not even candidates of high ideals espousing worthy causes, are elected by simply announcing that they are candidates. Hundreds of workers have to be enlisted and an efficient organization administered to attain success at the polls. Is there any reason why a man who has worked to elect a successful candidate should be denied a political job, while another who did everything he could to defeat him is retained? Everybody, says Mr. Davies, referring particularly to Canadian practice, knows that civil service commissions are composed of politicians, and that political pull helps, even if the merit system be legally in force. The political workers are the people who elect the government and surely they should be rewarded.

As long as Mr. Davies talks about night watchmen or lighthouse tenders his doctrine will appear reasonable to many. Why can't the average Conservative supporter trim lamps or type a letter as efficiently as the average Liberal? Perhaps we might agree if experience had not demonstrated that political selection has given us many incompetents in even the simplest occupations.

But, waiving the question of fitness for humble tasks, there is one point which Mr. Davies neglects. It is the relation of morale to operating efficiency. As long as even the minor posts are filled by the orders of politicians, the workers will be politicians rather than typists and lighthouse tenders. They will be intent upon keeping their jobs rather than upon performing the work for which the public pays them, and their political activities will continue to taint the whole service irrespective of what methods are employed for the selection of the technical experts.

If it is true that civil service commissions are themselves politically controlled, and there is evidence that many are so controlled, it is time that the people abolished such control. Dr. Leonard D. White discovers from statistical studies that public employment is held in low regard by private citizens [1] and declares that this low prestige acts as a detriment to the efficiency of civil employees because it strikes at their morale. In our judgment, neither prestige nor morale nor efficiency can be improved so long as the public acquiesce in the continuance of the spoils system, no matter what political philosophy may be summoned to its defense.

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[1] See National Municipal Review for November, 1929, p. 661.

ALONG THE GOVERNMENTAL BATTLE FRONT

PRESIDENT'S ADDRESS TO THIRTY-FIFTH ANNUAL MEETING OF THE NATIONAL MUNICIPAL LEAGUE

BY RICHARD S. CHILDS

President, National Municipal League

AMERICA has found out how to make its democracy "democ." It used to be true that "reform administrations were never reëlected," but under the city manager charters, reform administrations are being consistently reëlected many times in unbroken succession.

At the elections this November, in Cleveland, Cincinnati and Rochester, which are the largest cities to have the city manager plan, good government forces have triumphed for the third successive time although unsupported by professional political organizations and contesting against highly organized political machines.

Interesting and significant are figures concerning the growth of the manager plan. Exactly 430 American cities have adopted it, this figure including one acquisition as a result of the recent elections—New Rochelle, N. Y. As an indication of the startling rate of growth that is still continuing, 40 cities have launched forth under the plan since January, 1928. More than 7,000,000 persons are now living under the city manager plan.

Even more significant, however, is the interest being shown in the manager plan by metropolitan centers which a few years ago turned up their noses at it as a "small town" scheme, as well as the attitude which municipalities in Europe and other countries have developed with regard to city government in America.

Philadelphia, Chicago, San Francisco, Indianapolis, and even our national capital, Washington, are looking toward this typically American type of government as the cure for their administrative ailments.

In the 400 smaller cities which have this plan, the experience is similar; Dayton, O., for example, having enjoyed continuous good government since 1911 through nine successive elections despite all efforts of political bosses to regain control of city hall. In small cities and large, the period of practical test is completed. The plan is no longer to be regarded merely as an interesting and sensible-looking novelty but as a well-proven fixture destined to become the prevailing form of municipal government in America.

Its success is attributed to the fact that under this plan the great majority of citizens who are not in politics easily develop their full political strength. Frequently in these towns, this large silent vote elects candidates who have no organized support whatever, whereas machine support has often damaged candidates more than it has helped them.

It only remains to extend the plan to the remaining 2,000 cities and to perfect ways to apply the same basic principles to state and county governments. The National Municipal League is proceeding as vigorously in such directions as its resources permit.

Requests for information on the plan pour daily into the office of the National Municipal League from throughout this country and abroad. Cities of even so distant a continent as Australia have been communicating with us during the past few months.

Since Lord Bryce made his unsatisfactory comment on the subject of American municipal government, Europe has been justifiably suspicious of anything in the way of better government emanating from this side of the Atlantic. Perhaps the greatest stride from the standpoint of world-wide reform in this field came this past year when Cork, Ireland, adopted the city manager plan. Not only is this *prima facie* evidence of the fact that European opinion has greatly changed toward what we are doing in America, but it means that the "American" plan, as it is universally termed abroad, is likely to spread over there like everything else bearing the stamp "Made in America."

Enough for the manager plan: it speaks for itself hourly in the hundreds of cities which have been operating under it.

The spread of the short ballot principle accompanies, of course, the city manager plan. The two are inseparable. In general the short ballot principle is now so well established that it is accepted as a matter of course as the foundation stone of centralized responsibility in government.

Reducing the number of offices on the ballot and focusing the attention of the voter on the important officials to be chosen, the short ballot at once accomplishes the fixing of responsibility and greater democracy through the elimination of the political machine as a "ticket-maker."

As to the manager plan in counties, this conference will make history in this field. The model law being prepared by the committee of the National Municipal League will take its place beside the model charter for cities as the recognized standard for new legislation.

The manager plan for counties is no longer theory—nine counties, four in Virginia and five in North Carolina, have a half-baked manager plan, but are far better off than without it. How much more improved would be their condition with a full-fledged manager plan!

In brief, the year 1928–29 has been marked by steady progress along every governmental battle front. Chicago is now groping its way out of the fog. Progress here, as shown in the convention number of the NATIONAL MUNICIPAL REVIEW, is typical of improvements being made in municipal government and administration generally throughout the country.

DANGERS IN AMENDING ZONING ORDINANCES[1]

BY CHARLES E. HAMMERSLEY

President, League of Wisconsin Municipalities

The common practice of amending zoning ordinances at the behest of favored individuals must cease. :: :: :: :: :: ::

EVERY property owner in the city surrenders certain valuable rights by the adoption of a zoning ordinance. What he gets in return depends on the fairness with which such an ordinance is made or amended and the firmness with which it is maintained. Extensive power with corresponding responsibility is vested in municipal councils in the classification of zones and the creation of districts and the designation of their dividing lines. At the time a zoning ordinance is adopted the present and future needs of the city must be considered to determine these matters. And when a zoning ordinance is once passed it should be so well considered that it should not be necessary to change it immediately after its passage.

Amendments of zoning ordinances from time to time are sometimes necessary to improve or perfect the general zoning plan or to provide for industrial or business development. But when a zoning ordinance is once enacted the judgment or discretion of the city council, when reasonably exercised, should be binding and conclusive for a reasonable period of time. Amendments should be constructive, not destructive. They should be for a public purpose, and not for a private purpose if that purpose impairs a public one. After a zoning ordinance has been passed a municipal council is continuously importuned to change the ordinance so that some private owner of property can use his property to better advantage for some other purpose than the purpose for which it is classified. Ordinarily to grant such a request means that all the other people in that vicinity suffer a corresponding loss for the gain that the selfish person receives by obtaining a change in the zoning ordinance.

A desire to benefit the owner is a worthy purpose if it can be done without injuries to others or without detriment to the public welfare. But amendments to zoning ordinances are generally made without regard to any city plan or any scheme to promote the future development of the city or to serve any particular public purpose, but merely to serve the greed of some individual.

Zoning ordinances are of recent origin. Until a few years ago cities were allowed to grow and develop without any city plan, municipal control or guiding hand. Every property-owner could use his property for any purpose he saw fit provided such purpose was not so offensive to others as to constitute a nuisance. In this haphazard development one industry, business, or use encroached on another to such an extent that there was great economic waste and great damage and inconvenience to the public generally. To remedy this condition the legislatures of many states passed statutes authorizing cities and villages to plan their development and to adopt zoning ordinances to carry out such plans. The legislative intention is to secure, without unnecessary loss to the owner, conformity of buildings and uniformity of zoning districts, and the only ground upon which such a statute or such an ordinance passed thereunder can be sustained, is that it serves a public purpose.

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[1] Address delivered at the third annual convention of the Wisconsin City and Regional Planning Association.

AMENDMENTS MAY DESTROY JUSTICE OF ZONE PLAN

Statutes and ordinances passed for a private purpose as distinguished from a public purpose, have frequently been condemned. A statute or ordinance adopted for a private purpose usually benefits the private person at the expense of the public welfare. The detriment usually exceeds the benefit. This is particularly true of zoning ordinances passed to benefit particular individuals.

After a district has once been created changes are apt to be arbitrary. They are usually of doubtful validity because they violate the federal constitution, which provides that no state may deny to any person within its jurisdiction equal protection of the laws. Tested by proper rules most of these amendments cannot be sustained. There is generally no substantial distinction, within the meaning and provision of the zoning law, between the property for which a change is proposed and the other property in that vicinity.

The discretion vested in the municipal council to amend a zoning ordinance must be exercised to promote a public purpose, if the ordinance is to have validity, stability, or value.

City councils and zoning boards of appeal have shown altogether too much concern for the private person who wants a private gain through zone changes, and too little concern for the mass of citizens injuriously affected by such change. Nine times out of ten the public interest is injuriously affected by zoning changes. If zoning is to continue to receive public support and respect, private changes for private gain must stop. It is grossly unfair to the public to create a zone and then grant some private person an amendment permitting a non-conforming use to the injury of his neighbor. Just as sure as you permit the municipal council politicians to play politics with zoning as they are doing, you will sound the death knell of zoning.

JUSTICE OF THE PEACE IN CONNECTICUT

BY LANE W. LANCASTER
Wesleyan University

There are 1,300 J. P.'s in Connecticut, but fortunately only a relatively small proportion still try to administer justice. :: :: ::

If the wit of man is not such as to permit him often to recognize the establishment of an institution, he is at least occasionally privileged to stand by and watch the passing of one. And to the student of politics few things are more interesting. Being a derivative rather than a primary concern of man, government suffers more perhaps than economic institutions from the evils of maladjustment between structure and function.

Nowhere have these maladjustments been more striking or productive of more evil results than in the case of the administration of justice. Each year the tone of our national life is increasingly affected by the fact that we are predominantly city-dwellers. Yet much of our judicial machinery is the result of town-pump and general store philosophizing, reminiscent of frontier days.

The perfect flower of this type of thinking and of the conditions under which it flourished is found in the office of justice of the peace. Among a population of farmers and villagers quarrelling occasionally over line-fences and straying cattle, the squire dispensed a convenient and handy justice. The quality of this justice, while it might be open to question by the fastidious in such matters, was long held preferable to the article dispensed by real judges, always suspect as "experts" and as the minions of a far-distant and unsympathetic "gov'-ment." The fate of this hoary office when the civilization of which it was so distinctive a part met the impact of new social forces is of absorbing interest.

CONNECTICUT THE CONSERVATIVE

Of all New England, Connecticut probably preserves more nearly intact the point of view and the governmental arrangements which long gave its peculiar character to that exasperating region. All of the other states have at one time or another followed after strange gods—experimenting with such contraptions as the direct primary, simple majority rule, income taxes and what not. The urban hosts of Boston and the mill towns may, if they will, have their way as against the embattled farmers of the Berkshires; and even in Maine and New Hampshire, business men, politicians, lawyers and mill owners from Portland and Lewiston, Manchester and Nashua seem to count. But under the gilded dome at Hartford, session after session, selectmen, assessors and tax collectors, from Plymouth and Pomfret, Salisbury and Suffield, have determined the public policy of the Wooden Nutmeg state and imported into the business of an urbanized community the town point of view.

The problem of what to do about the justice of the peace has been attacked (where it has been attacked at all) in various ways. In some places he has been simply legislated out of existence and his jurisdiction transferred to presumably more competent tribunals; in others he has been made a magistrate, given a salary and required to meet more or less adequate qualifications; in England, characteristically, nothing has been done about the office except to increase the number of holders of it and rely upon the clerks to infuse the necessary knowledge—with good results, it may be said in passing. With her penchant for being different Connecticut has approached the problem from another angle. By a process of attrition applied by the legislature the "squire" is rapidly becoming extinct in the "land of steady habits."

For the first years of its existence as a colony the only court in Connecticut was the general assembly.[1] In 1640, however, because of their great distance from the seat of the assembly a "commissioner" was appointed to act at Fairfield and Stratford. No other regular means was provided for the trial of small causes until the creation of the county courts in 1669. While the "commissioner" appointed in 1640 was the ancestor of the justice of the peace, no mention of the latter functionary is found until 1686 when he was empowered to try civil causes in which the amount at issue was less than forty shillings and did not involve title to land. Criminal jurisdiction was first conferred in 1702, but was limited to misdemeanors for which the punishment did not exceed a fine of forty shillings.[2]

The civil jurisdiction of the justice of the peace was increased at various times, until in 1872 it reached its present limit of $100. Today if the amount at issue exceeds $20 either party may demand a jury of six upon posting surety against loss to the other party. Service on a justice's jury is paid for at the rate of one dollar a day.[3] The final criminal jurisdiction of the justice of the peace extends only to misdemeanors punishable by a fine of not more than $25 and imprisonment for not longer than thirty days. Where the offense charged entails a heavier penalty the justice is required to hold the accused for the superior court.[4] By statute the justice of the peace is required to render an account annually to the town treasurer of all fines and penalties imposed, he is required to keep a docket and upon his death, dismissal, or removal from the state, his records are required to be delivered to that catch-all of New England town government—the town clerk.[5] By judicial interpretation the court of a justice is a court of record, but the justices of the peace do not constitute a part of the judicial department of the state within the constitutional meaning of that expression.[6]

Justices of the peace in each county are provided for by the constitution of the state, but they are elected by towns according to the general law which also prescribes their civil and criminal jurisdiction.[7]

THE GRAND JURORS

The machinery of the justice's court is completed by the choice in each town of grand jurors and constables. Each town may elect from two to six grand jurors and not more than seven constables.[1] The grand jurors are the prosecuting officers in the justice's court and are empowered as well to make inquest as to crimes and misdemeanors committed in their bailiwicks. Aside from this blanket authorization to look after the good order of the communities, various statutes confer authority to prosecute in specific cases such as the following: infractions of the factory laws, sale of intoxicating liquors, sale of impure foods and dairy products, failure to pay personal tax, keeping annoying and snapping dogs, failure to cut wild carrots and Canada thistles, and driving over bridges faster than six miles an hour!

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[1] The upper house of the assembly continued to exercise judicial functions until the constitution of 1818.

[2] Loomis and Calhoun, *Judicial and Civil History of Connecticut*, pp. 155–6.

[3] *Sections 2231, 5757, Gen. Stats., Rev. of 1918.*

[4] *Sections 6542, 6547, Gen. Stats.* The justice may, however, take final jurisdiction in cases involving a fine of a hundred dollars and a jail sentence of a year, if, in his opinion, the penalty ought not to be greater than that stated above.

[5] *Sections 5424, 5430, 342, Gen. Stats.* I am informed by the tax commissioner's office that their experience in auditing town accounts indicates that the justices have been very lax in rendering their accounts of fines and penalties to the town treasurer.

[6] See *American Bonding Company* v. *Hoyt*, 88 Conn. 251; *Alcorn* v. *Fellows*, 102 Conn. 22.

[7] *Constitution, Art. 5, Sections 2 and 3; Amendment 10.*

The general inquest of grand jurors has fallen into disuse, and this has had the incidental effect of doing away with grand jury indictments except in cases where the punishment is death or life imprisonment, in which case the superior court is required to summon a grand jury of eighteen.[2] The success of the grand jurors as prosecuting officers varies greatly between towns. In most places prosecution is a mere matter of form. In some towns, however, where the grand juror happens to have a talent for such work he acts much like the prosecuting officials in the higher courts, presenting his case with a vigor which might be envied by those in more exalted stations. For the arduous duties of his office, the grand juror is paid $2.00 per day, and six cents for each mile of necessary travel.

1,300 J.P.'s

There are at the present time in the state approximately thirteen hundred qualified justices of the peace. In the larger communities they have been in practice largely ousted from their criminal jurisdiction by the town, city and borough courts, and the civil business still cognizable in their courts is generally handled by two or three justices. In such communities most of the justices of the peace are lawyers, bankers, or business men who find it convenient to have the powers of a notary which belong to the office. In short, except in the country towns, only a small minority of the holders of the office ever try cases. In the rural parts of the state, however, the justice still fills a need for quick and informal justice. How well he fills the need is problematical. Certainly many of the abuses associated with the office elsewhere have appeared in Connecticut.

In some of the shore towns, for example, the trial of violators of the motor vehicle laws is a lucrative source of income to the justice whose "parlor" of a Monday evening is often converted into a busy courtroom to the singular comfort of the presiding officer, the grand juror and the constable. Here also, as elsewhere in civil matters, J. P. has come to stand for judgment for the plaintiff, and small town lawyers in discussing their petty civil business refer with an air of assured proprietorship to "my own justice." The fees connected with the office are not large, but in some cases they would appear to be large enough to figure in the domestic economy of a justice whose regular income is the result of hard work in the thin and rocky soil of a hill farm.[3]

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[1] *Section 262, Gen. Stats.*

[2] *Sections 6583, Gen. Stats.;* see also *State* v. *Danforth,* 3 Conn. 112 (1819); *State* v. *Chin Lung,* 106 Conn. 719 (1927). For the early history of the grand jury see *65 Conn. 27,* and the preface to the first volume of Conn. Reports.

[3] Statutory fees are: for entry, trial and record, for either a civil or criminal cause, $3.00; hearing and binding over, $3.00; each additional day after the first, $2.50; orders of notices, mittimus,

Apart from the use of the office as a means of making money, the rank and file of the justices would seem to be quite lax in the routine conduct of their work. A recent investigation indicates that their records are badly kept or not kept at all, and in general the tribunal as a court leaves much to be desired.

CITY AND BOROUGH COURTS

Most of the abuses and slipshod methods of the justice of peace court have long been known. They have, however, never been subject to any effective supervision, and information as to their actual working has consequently been lacking. There has for that reason not been worked out any real policy towards justice in small causes, and the legislature has met perceived difficulties by whittling away the ancient jurisdiction of the justice. This process has consisted in the creation from time to time since the middle of the last century of town, city and borough courts. The majority of these courts date from 1890, and since that date scarcely a legislature has failed to create at least one such new court. At present there are sixty-one in the state, twenty-two of which are located in the cities and thirty-nine in the boroughs and towns. Since each court is created by special act of the general assembly, it is not possible to generalize as to their jurisdiction. In some cases both civil and criminal jurisdiction is conferred; in others, only crimes and misdemeanors may be tried. In most of the acts the powers exercised by justice of the peace in criminal courts are specifically conferred upon the new court and the justice thus ousted; in others the jurisdiction of the two tribunals is apparently concurrent. But certainly it may be said that in the cities of the state the criminal business of the justice of the peace has almost disappeared with the coming of the city court.[1] On the civil side, hard times are apparently ahead for the justices in view of the fact that provision has been made by the general assembly for the settlement of small claims by the city and town courts of the state.[2]

J. P.'S ARE PASSING EVEN IN CONNECTICUT

The criminal business of the justice of the peace has long consisted in large part of violations of motor vehicle laws, and the usual abuses in handling such matters have not been absent in Connecticut. In view of this fact and as an experiment, the General Assembly of 1929 created the first traffic court in the state. The new court is located in Danbury and has jurisdiction over violators of the motor laws in that city and in the adjoining towns of Ridgefield, Bethel, New Fairfield, and Redding. The new court is presided over by a judge who is paid a salary of $6,000, and is competent to impose fines up to $500 and jail sentences not in excess of one year. The experiment is being watched with interest and, if successful, similar courts will probably be set up elsewhere.[3]

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taxation of costs, etc., 50 cents; for each continuance, 25 cents.

[1] The sixty-one courts are in towns, cities and boroughs having a total population of about 1,250,000, or more than 90 per cent of the total for the state. Eight new town courts were created by the General Assembly of 1929.

[2] *Chapter 93, Public Acts 1929.* A small claims division was established in the Hartford City Court by the 1927 session, *Special Acts No. 319,* and has proved both popular and efficient during its first two years. A similar act was passed for New London by the General Assembly of 1929, *Special Acts No. 155.*

[3] The traffic court also has jurisdiction over offences relating to the sale, use, or adulteration of gasoline and oil, and the establishment and maintenance of filling stations. *Sp. No. 339, 1929.*

The result of these developments is obvious. The simpler judicial machinery of the countryside has broken down in a country where the varicolored "gas" pump has become a familiar feature of the roadside, taking the place of the arching elms and the graceful well-sweep of the somnolent villages of the mid-nineteenth century. Paid city and borough judges hold court daily in all but the most remote and sparsely populated portions of the state. Nine times out of ten elsewhere the title justice of the peace is conferred by an uninterested electorate on lawyers and bankers who find it a convenient accessory in their business. The picturesque figure of the squire fresh from his chores dispensing justice from the horsehair sofa of a summer evening thus gives way to the smart banker behind his brass and marble parapet, authenticating deeds, and rushing off at four for a round of golf.

If the justice of peace passes, however, something must take his place and it does not seem unlikely that when the process of attrition is completed, new construction will have to be undertaken. It is too soon to predict what form the new popular tribunal will take. Perhaps the grouping of towns into districts, as has been done in Massachusetts and as is foreshadowed by the Danbury traffic court, will point the way out. Indeed if the present town and borough courts are left undisturbed, this seems the only way out for that part of the area of the state not yet supplied with such courts in places convenient of access to a wide area. The present town and borough courts are not above criticism, and it may be that tribunals of wider territorial jurisdiction will eventually take their place. Subject to no effective central supervision and controlled as to personnel, salary, and equipment by the general assembly, many of these courts are inefficient in keeping their records as well as in the actual administration of substantive justice, and nearly all of them are integral parts of the machinery of the dominant political party.[1]

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[1] For comments on the local courts see the first Report of the Connecticut Judicial Council. The only policy which the general assembly seems to have in creating these town courts—if, indeed, it can be called a policy—is to consolidate the party strength locally. Certainly in some cases the local government is not consulted before action is taken. That the party organization appreciates the importance of these courts in maintaining itself in power is indicated by the fact that Governor Trumbull's proposal to have the governor appoint to the local bench was entirely ignored by party leaders in the last general assembly.

PROBLEMS CONFRONTING THE BERLIN ADMINISTRATIVE AREA[1]

BY OBERBÜRGERMEISTER GUSTAV BÖSS

Berlin

Translated by R. A. Egger, Princeton University

Greater Berlin, formed by the union of 94 municipalities, faces greater responsibilities than ever troubled Old Berlin. :: :: ::

The purpose of the consolidation of the historic city of Berlin with ninety-three adjacent cities, towns, and manorial estates, was to create a metropolitan agency capable of correlating the administration of the entire area. In attempting a retrospective evaluation of its success, and a description of the problems with which the *Grossstadt* is immediately confronted, it is necessary to consider those factors which differentiate the problems of Berlin from those of other cities.

Berlin, the chief city of the realm, is not an enterprise of merely local importance and significance; it is a great project of the entire German Republic, belonging to the whole German people. Such indeed is its natural position as the capital city of Germany. In Berlin live the official representatives of foreign lands. To Berlin hundreds of thousands of strangers from foreign lands journey yearly. To Berlin come investigating commissions from all parts of the world. It is therefore Germany's chief point of contact with the outside world. From the impression which the capital city makes upon these ambassadors of foreign lands will Germany and its importance to the world be judged. For that reason the city largely must concern itself about imponderables, about psychological facts, which, perhaps more than most people realize, determine leadership in affairs of great consequence.

BERLIN'S RAPID GROWTH A COMPLICATING FACTOR

The problems of Berlin are even most difficult because the city has risen to its present position in less than ten years. In 1825, when London had 1,400,000 and Paris 700,000 inhabitants, Berlin counted only 200,000 people. In the two decades succeeding 1861, Berlin's population grew from 500,000 to 1,100,000 souls. Today Berlin is, with its population of 4,200,000, the second largest European city. The inclusion of the surrounding territory of 880 sq. km., if Los Angeles, California, is excepted, made it in area the largest city in the world. Paris, with its 2,900,000 people, embraces only one-eleventh as much territory as Berlin, while London, with its 4,500,000 souls, is geographically only slightly more than one-third as large as Berlin.

Berlin dares not consider its problems as of purely local importance, but is compelled to view them from the standpoint of all Germany—of that, Berlin is, and must be, aware.

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[1] This article is a translation, with some rearrangement and elimination of statistical material of interest primarily to German readers, of Oberbürgermeister Böss' "Die Verwaltungsgemeinde Berlin und Ihre Aufgaben," which appeared in *Zeitschrift für Kommunalwirtschaft* of October 10, 1928. Printed with permission of author and publisher.

Berlin's position is further rendered unique through the intimacy of its relation with internal interests other than those of a purely governmental character. Three-fourths of the German populace of Berlin was born outside the capital city in all parts of the Fatherland. It is not only the chief political city and the rendezvous of the spiritual and social power of the German Republic, but is also, before all else, the center of German domestic development and enterprise. No other city has so profoundly affected the German economic order with the expansion of its commerce and industry as has the great metropolis. Illustrations are not wanting. The development of closer relations between political and economic life in the period of the war and since, which gave rise to countless industrial and labor organizations of a permanent and enduring character, has more and more made the city the center point of the Republic. The process is centrifugal and centripetal; all movements relating to such domestic matters in the entire realm flow into Berlin, and from Berlin, flow back again into the realm as dynamic programs of action.

Berlin faces the problem of the rationalization of her administration. The unbearable increase in administrative organs which resulted from the requirements of the act of the Prussian *Landtag* of 1920, is entirely out of keeping with German traditions of local government. The clumsiness of administrative apparatus, and the hampering of the activities of the administration, as well as the elimination of superfluous agencies and the establishment of clear and unmistakable lines of authority and responsibility, will soon have to be considered. It is entirely probable that thorough reform will necessitate certain alterations in the law; it is certain that the future world-city must be a more closely organized, undivided, and highly centralized community.

TRANSPORTATION

Berlin requires a highly developed and efficient transportation system. With the construction of an adequate central railway terminal and the connection of northern and southern national trunk lines, the railway problem will be taken care of for the present. A much greater problem is that of administration, particularly as regards transportation within the city. Over one and one-half billion fares were collected last year by transportation services operating between the little cities of Berlin. The consolidation of the three city transportation enterprises—street railway, omnibus, elevated and subway—through uniform charges and agreement with affected communities, has resulted in an almost complete unification of Berlin's transportation administration. The unified charge with the allowance of transfer privileges between the various services, as well as with the state railway, have simplified, cheapened, and promoted the movement of traffic. The complete unification of such enterprises is pending at the present time. This unification doubtless would facilitate unified public financing, simplification of administrative organization, and a standardized transportation service. Moreover, Berlin's transportation must itself be made more efficient, more rapid, and less arduous.

Concomitantly with the development of the transportation system there has come an attempt to develop a general street program. Existing arterial highways must be maintained adequate to the traffic they are expected to carry, and where others are needed they must be constructed. Further, increased transportation demands the avoidance of the congested commercial areas through the provision of by-pass highways, transverse, and encircling connections. At the same time the park program and the zoning scheme must be preserved and further developed. The existing parks must be fused into a unified general design, and the residence and industrio-commercial sections must remain separated.

PUBLIC UTILITIES

Certain problems also arise in connection with public utilities other than transportation services. Water, gas, and electricity have, in the years since the war, experienced a steady increase in consumption. The extraordinary growth of electricity consumption has necessitated continual replacements and capital outlays. Berlin must expend every year as much in replacements, repairs, and expansion as the value of the entire investment of Munich. Nevertheless, Berlin is behind other world cities in domestic electricity consumption. The amount of current supplied to residences in 1927 amounted to but 43 per cent of the total production, as against 94 per cent for Chicago. Berlin stands today, in this regard, where Chicago stood in 1918. If, however, progress continues in the same degree in the future as in the past, Berlin will, in five or six years, have overtaken other great metropolitan areas in this respect. The necessity for the development of domestic electricity consumption cannot, however, be overemphasized; our utilities must be used by the citizens if their highest value is to be realized.

The intimacy of articulation between different municipal works, it should be mentioned, is a problem pressing for solution. Whether, and how far, electric and gas works may, in the future, be operated and developed upon a unified technical and administrative basis is an unanswered question. The imposing fuel demands of the municipal electric works—a maximum of 1,750,000 tons—lend an entirely new aspect to the problem of coal distribution. It is evident that public and private provision for heating must be improved, and their administration reorganized. In this connection, it is apparent that certain important rearrangements in industrial zoning must be made in the near future. Existing smoke and soot nuisances must be eliminated through the provision of heat from distant heating works. Heat distribution from central agencies probably best might be included in the functions of the power plants, in order that heat and power production might be coordinated and administered under unified executive organization. At any rate, the problem is one which must be solved in the immediate future.

EDUCATION AND RECREATION

A sixth important problem arises in connection with the local educational system, especially as it relates to German commercial and industrial life. The German people have been forced, through the loss of the war and through unfavorable natural restrictions, to work more constantly and more efficiently than other peoples. Their educational system must be developed with this realization paramount. The total number of all students in the *volkschulen*, the middle and high schools, and in the *berufsschulen*, amounted in 1927 to 474,000. The expansion of the *volkschulen*, in order to develop the vocational thought of the great mass of young people and to make available a higher skill for the purposes of domestic life, is an immediate and pressing necessity.

The vocational and trades schools merit especial consideration. If German domestic life is to be rehabilitated, these schools must develop skilled workers. In this connection also may be noted the development of Berlin's parks, playgrounds, and athletic fields. An attempt has been made to establish such recreational places in close proximity to congested districts, in order that peoples living in such districts may be encouraged to use them. The individual is the state's highest good; the physical welfare of the individual is not the least part of the concern of the state for its citizens. The realization of this fact has governed, and must continue to govern, the establishment and conduct of such municipal activities.

FOOD SUPPLY

A seventh important problem of the Berlin area is the regulation of the food supply of the populace, and the establishment of better machinery for such regulation. Berlin's food supply comes literally from all over Germany. Probably the most immediately pressing problem is that relating to horticulture. It is essential to the welfare of the people that greenstuffs and similar necessities be supplied from convenient sources. A considerable portion of the open area, both within and without the municipality, is not devoted to horticulture. The economic pressure, due to the rise of wages which results from the proximity of industrial and manufacturing establishments, ultimately must eliminate any save very intensive agriculture upon lands lying close to the city. Agriculture cannot pay city wages; horticulture can bear them. From reasons both of necessity and convenience and from sound economic procedure horticulture must be developed in these areas. The city has already, through the extension of municipal loans, granted much credit to horticulturists and aided in the development of the industry. This extension of credit is not enough, however, if the advantages gained thus far are to be made secure. Adequate provision to prevent overproduction and losses must be made; as yet such attempts have not been forthcoming.

NEW SCOPE OF ACTIVITIES

Finally, the problems of civic beauty and of individual betterment must be given thought. The new socio-political importance of Berlin has altered definitely the scope of municipal activities. In view of this fact it would seem that the city quite legitimately might direct its best attention in the future to the creation of opportunities for work and earning. Social life, art, and learning are, in considerable measure, dependent upon the existence of sufficient pecuniary resources. The concerns of local administration are also indirectly the concern of spiritual and social life.

The new Berlin, created by the decree of April 27, 1920, came into being at the time of the greatest need of the Fatherland. In severe struggle with the after-effects of the war, and the havoc of crumbling standards of currency, of disquietude, and of poverty, it has been compelled to loosen its organization. Its problems have been without precedent in the history of local government. Much has been accomplished in Berlin; much remains to be done.

The development of Berlin has been delayed through the communal disintegration of old Berlin, which caused endless friction and dissipating and profitless competition. It has been accelerated through the creation of new Berlin, through the unification of the powers of ninety-four communities, that not only has strengthened the chief city of the realm internally, but has increased its worth for Germany and for the world.

WHY I BELIEVE IN THE PATRONAGE SYSTEM[1]

BY W. RUPERT DAVIES

Vice-President and Editor, Kingston Whig-Standard, Kingston, Ontario

Many American party workers will agree with this Canadian editor, but few have the courage to express their viewpoint so courageously. The NATIONAL MUNICIPAL REVIEW *does not agree with Mr. Davies, but believes that his viewpoint will be of interest to our readers.* :: ::

I AM a firm believer in what is known as the patronage system of making political appointments, and in saying this I think I can state without fear of successful contradiction, that I am in accord with about ninety-five per cent of the population of Canada.

Before I undertake to justify my position let me state clearly what I understand by this much-abused and much-represented system. And let me state further that I yield to no man in my love for my country, or in my desire to see its affairs well and economically administered.

The patronage system, as I understand it, and as I prepared to defend it, is the rewarding of party workers with political appointments by the government of the day. In other words, I firmly believe that when a Liberal government is in power, all vacant positions in the gift of that government, wherever possible, should be filled from the rank and file of the Liberal party. When a Conservative government is in power the opposite should be the case. Now, let me make myself very plain, so that there shall be no misunderstanding. You will notice that I qualified my statement, with the words "wherever possible." For the purposes of this discussion, I am not referring to highly technical positions where experts are needed, but simply to the plain, ordinary, garden variety of government job of which there are thousands available in this country every year, ranging all the way from letter carriers and lighthouse tenders to judgeships and senatorships.

POLITICAL PARTIES NEED PATRONAGE

During my life I have seen a good deal of practical politics. I have taken an active interest in political campaigns since 1896, and during that time I have had much to do with political organizations of one kind and another. Over thirty years' experience has convinced me that political patronage is the foundation stone upon which strong governments are built and that without it our political organizations would collapse. Let me elucidate.

Everyone will admit, I am sure, that the best type of government for any country is a strong government—that is, a government of courageous, able men, with a sufficient majority behind it to enable it to put its policies into effect. Now everyone will agree that men are not elected to Parliament by the simple process of announcing that they are candidates. Hundreds of faithful and persevering workers have to be enlisted in the cause, and hard and efficient work has to be done. Voters' lists have to be carefully checked over; newcomers have to be looked after and their names put on the lists; doubtful voters have to be canvassed; automobiles have to be secured; the polls have to be manned on election day and the vote has to be got out. All this involves a tremendous amount of hard work, yet if we are to elect candidates and secure strong governments, it has to be done. Now will anyone assume to tell me, that the services of these voluntary workers could be secured if they did not, to quote the words of a famous statesman now dead, have a very keen sense of favors to come? Everyone here who has any practical political experience will agree with me that if political candidates of high ideals espousing worthy causes had to depend upon the idealistic dreamers for election campaign work, they would stand little chance of election.

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[1] Read before the Convention of the Citizens' Research Institute of Canada, Montreal, October 17 and 18, 1929.

I have said something about the party worker. I hold him in the very highest esteem, for he takes a practical interest in the government of his country. And by the same token, if there is one type of individual whom I despise, it is the hypocritical humbug who, rubbing his hands, and wrapping himself about in a cloak of pharisaical self-righteousness, announces in an unctuous tone that he takes no interest in politics. The man who takes no interest in politics is not a very loyal citizen, for politics is the science of government. Yet my experience has been that these selfsame men, who profess to take no interest in politics, take a very real interest when they want something for themselves.

MUCH NONSENSE TALKED ABOUT PATRONAGE

There is more nonsense talked about political patronage than any other subject, and certain newspapers love to try to create in the minds of their readers the idea that political patronage is a vile thing to be referred to only as a canker or a festering sore. These newspapers have two pet phrases which they work overtime whenever it is necessary to impress the public. One is "hand in the pork barrel" and the other is "feeding at the trough."

Let us examine this whole question for a minute, I have explained just what I mean by patronage—the filling of government offices by political friends. We will suppose that a position is vacant in a customs office or a post office. A Liberal government happens to be in power. Two men are found to be eligible. One is a Liberal and one is a Conservative. Is there any reason in the wide world why the Liberal, who has worked and voted to help place the government in power and who is sympathetic with its ideals and policies, should be passed by, and the Conservative, who had done everything he could to defeat it, be appointed?

I am quite well aware that some distinguished gentlemen will say that all government positions should be taken out of politics and placed in the hands of the civil service commission. Let us talk facts and not theories. Let us deal with conditions as we find them and not as we might like to have them. The civil service commission probably has a place in the scheme of things at Ottawa, but as a strictly non-political body, it is not, in my opinion, a success. If it were possible to appoint a non-political commission—which I am afraid it is not—and if it were further possible to make sure that all the subordinates of the commission were non-political, and if it were still further possible for the commission to deal with unidentified numbers instead of names, so that no influence could ever be brought to bear upon anyone connected with it, then I would be willing that the commission should do some of the preliminary work of sorting out the applicants. I would, however, always leave the final appointment to the government on the recommendation of the sitting member or defeated candidate, whichever happened to be favorable to the government. That to my mind is one of the functions of responsible government.

Why should a commission of political appointees in Ottawa decide all the Dominion Government appointments in this country? They are not, in my humble opinion endowed with any particular qualifications for such a position. Some of their appointments have been very poor ones, and yet one can hardly blame the commission. What do they know of the personality and character of men in Kingston, Winnipeg or Vancouver? For there is a great deal more enters into a man's fitness for a position than his ability to add, subtract, multiply and spell correctly. Some of the very finest men in the government service today are men who got their appointments solely on the recommendations of a responsible member of Parliament, who knew the man he was recommending.

CIVIL SERVICE METHODS UNFAIR

One of the strongest reasons why I am in favor of the patronage system is because of the unfairness of the present method. If there is a vacancy for a position as a letter carrier, or a customs house clerk, the applicants are supposed to deal wholly and solely with the civil service commission. As a matter of fact they usually pull every wire possible, and interview any and everybody who they think may have some slight influence at Ottawa. Theoretically, however, they deal wholly and solely with the civil service commission and theoretically, too, the commission lets nothing else influence it in making the appointment than the qualifications of the applicants as presented to them by the candidates themselves.

But, if a senatorship is vacant or a judgeship, do the applicants have to pass any examination?[1] Not at all. Usually these juicy political plums fall to the ones who have the most influence politically. Peculiarly we never hear much criticism of these appointments, and yet usually they are straight examples of patronage for they always go to friends of the party in power. The same thing happens when we require a minister to Tokio or Washington. These are nice positions—positions of honor and distinction—and they quite rightly go to political friends. I have never had it satisfactorily explained to me just why, when one advocates that the ordinary party worker should receive some reward for his labor, without the interference of a civil service commission, there should be a lot of ridiculous talk about "pork barrels" and "feeding at public troughs," but when some active political lawyer receives a judgeship there should be editorial commendation. There seems to be a tendency to build up in this country what I once referred to as a $5,000 aristocracy. If a political worker is appointed to a position to which is attached a yearly salary of $5,000 or over, he is a great public servant, but if some hard ward worker gets a $2,000 job, he's feeding at the public trough.

There is more humbug and hypocrisy spoken and written about political patronage than any other subject I know of, and for some strange reason it all centres around Ottawa. Seldom if ever, here in Ontario, do we hear any criticism of the provincial government's appointments, and yet, they are practically all made on a straight patronage basis. And the same thing happens in other provinces.

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[1] In Canada senators are appointed by the government in power.

RETURN TO THE OLD SYSTEM

Let us look facts fairly and squarely in the face. For years appointments to the civil service commission were made by the government on the recommendation of government supporters. Under that system were appointed some of the ablest public servants that we have in the service today. Is there any good reason why we should not continue to make appointments in that same way today? Are we getting any better type of young men and women into the service today than we were twenty years ago? I do not think so.

Patronage is simply rewarding the workers, and surely the workers are entitled to some reward. They are the people who elect the government. If no efforts were put forth in election campaigns, to get the vote out, thousands of electors would not take the trouble to exercise their franchise. The party worker is usually a very fine type of citizen. He wants his country well-governed, and he believes that his party is best able to do the governing. Therefore, he works hard to elect it. Does it not seem fair, then, that if there is a position open which he can fill satisfactorily, he should get the appointment rather than someone who has done nothing for the party in power, and has probably tried to keep it out of power?

I have seen a good deal of patronage, and I am a firm believer in it. I am a firm believer in it because, as I said at the beginning, I think it is the fairest way of making appointments. I am also a firm believer in it because I am convinced that ninety-five per cent of the people favor that method.

There is no use kicking against the pricks. It was the immortal Gilbert, I think, who said:

> Every little boy and girl
> That's born into this world alive,
> Is either a little Liberal,
> Or else a little Conservative.

We therefore, have to deal with conditions as we find them. It would not make any difference if there were twenty civil service commissions, it would not stop applicants for positions from pulling every wire possible. Nor would it stop certain politicians from trying to make political appointments. I say, therefore, let us go right back to the patronage system of the old days, so far as Dominion appointments are concerned. We still have the patronage system in our provinces and it is fairly satisfactory. Let us go back to it in the Dominion and let us be honest with ourselves, and furthermore let us put the responsibility for recommendations to office where it belongs—on the shoulders of the representative of the government in the constituency—be he member of Parliament or defeated candidate.

HISTORY-MAKING AT CHICAGO

BY HOWARD P. JONES

Public Relations Secretary, National Municipal League

National Conference on Improving Government, November 12–14, fostered by the National Municipal League, holds successful meeting. County government reform one of the big problems attacked.

"I AM NOT a politician and my other habits air good," remarked Artemus Ward in his Fourth of July oration a bit more than half a century ago.

That this view of those who make public affairs their profession has not entirely vanished, a few remaining vaudeville actors and Will Rogers can testify. Nor will it disappear until the noisy blatherskites in the business are completely replaced by men who run the public services as they would modern manufacturing plants. Three-ring political circuses may afford comedy, but they can hardly be expected to inspire respect.

Manifestly, this replacement process is a slow and tedious one. As in the case of the leaven of yore, however, the ultimate fate of the lump seems well nigh inevitable. Certainly, this is the impression one could not help receiving from the successful National Conference on Improving Government which met at the Hotel Stevens, Chicago, November 12–14.

Since the organization meeting of the National Municipal League in Philadelphia in 1894, there has been no governmental conference promising more in the way of practical results. Members of the four coöperating organizations—the National Municipal League, Governmental Research Association, National Association of Civic Secretaries and Proportional Representation League—as well as the Chicago groups fostering the meeting, have reason to be highly gratified. These latter, incidentally, include the Association of Commerce, Bureau of Public Efficiency, Chicago Woman's Aid, Chicago Woman's Club, Citizens' Association, City Club, Civic Federation, Civic Safety Commission, Municipal Voters' League, Northwestern University, Union League Club, University of Chicago, and Woman's City Club.

AN UNPLOWED FIELD

Indeed, it is not going too far to say that history was made at this conference, and in a field that heretofore has been left practically unplowed by reformers—county government. True, the conference had at hand a keener blade with which to assist the process than existed a few years ago. The city manager plan of government seemed ideally adapted in principle to a change in county structure. The notion of a strong central executive as essential to the efficient functioning of a governmental administrative unit had taken thorough hold on close observers of governmental progress.

But here was no stopping at the simple expedient of saying, "Well, that's all there is to it—just apply the city manager plan to the county and there you are!" Instead, a committee headed by Prof. John A. Fairlie of the University of Illinois, chairman, with Prof. Paul W. Wager of the University of North Carolina as secretary, got down to business, drafting a model law which state legislatures could follow in reorganizing the county government provisions of their constitutions or state statutes. The work of this committee is not yet complete, but sometime during the coming year such a model law will be available.

It was after the National Municipal League drew up its model city charter that the manager movement swept throughout the country until now 430 American cities are operating under this plan. Predictions are general that the county manager plan, officially launched at this 1929 conference, will assume as much importance in local government during the next ten years as the city manager plan has in the last decade.

DEBATE IS FEATURE

One of the features of the Chicago meeting, which should be mentioned before leaving the subject of county government, was the debate on the subject, "Is the Manager Plan Adaptable to Counties?" Prof. A. R. Hatton of Northwestern University took the affirmative and Prof. Kirk H. Porter of the University of Iowa, the negative. Discussion was led by Anton J. Cermak, president, Board of Commissioners of Cook County, Prof. Paul W. Wager of the University of North Carolina, and Richard S. Childs, president of the National Municipal League.

Professor Hatton put crisply what was obviously the sentiment of the majority of those at the meeting. "There seems to be no reason why the manager plan should not be just as effective in the case of the county as it has been in the case of the city," he said. "Approximately four hundred and thirty American cities are now operating under the city manager plan and the same principle, it seems to me, applies equally well to the county organizations. The difference is not strikingly great between the administrative needs of the city and the county.

"The principal argument of opponents to the manager plan for counties, after all, is that the county must be primarily the agency of the state government in the future. Opponents of the manager plan say that the answer to the problem of inefficiency in county government is not the selection of a strong executive for the county, but to bring the work of the county directly under the administrative control of the state.

STATE CONTROL DEMANDS MANAGER

"It is certainly true that there exists a need of greater administrative control by the state. Even if we grant this, however, it still remains true that this state administrative control would be far superior if the county were so organized that the state could fix responsibility upon one executive instead of having to deal with a variety of officials of varying importance.

"The county is not well organized and cannot be unless we have a central executive directing the administrative work. Even under state control, effective work can only take place when the various divisions of the county government coöperate. This can best be brought about through a central executive.

"We are thus left no choice. Either for separate administration of the work of the county, or for the administration of this work under state supervision, a county manager is desirable."

Professor Porter good-naturedly endeavored to laugh the city manager plan out of court. "I submit," he said, "that the advocates of the county manager scheme are hopelessly out-of-date. Instead of being reformers they are at least forty years behind the times.

"They are accustomed to liken the present county government to an antiquated worn-out automobile, and they would like to exchange it for a 1930 model. I will accept this analogy for illustrative purposes. They seek to make the old bus run by putting into it a fine, new, expensive carburetor! All very well as far as it goes. It will make the old car go a little better; but to no other purpose than to arouse false hopes—soon destined to collapse!

"BEHIND THE TIMES," LAUGHS PORTER

"I say your county manager plan is hopelessly behind the times, and I mean by that, that if it had been introduced forty years ago, local self-government *might* have been preserved, and it might still loom large in the minds and interest of the people. But the time has passed.

"The county manager scheme may be admirably adapted to local self-government. Perhaps that is why it is thought to work so well in cities. The cities do practice local self-government—although ordinarily we have associated that phrase with counties and with towns. Municipal functions are thought of, and treated, as if they composed one single great task; and with this thought in mind the city manager is hailed as the ideal agency for administration. But county functions never have been sufficiently interrelated to compose one unified task, and that is one reason why—when public interest begins to flag—the machinery rapidly breaks down.

"I have said county functions never *were* deeply interrelated. Let me add—they are becoming more definitely separated every year. Perhaps a revived interest in local self-government, stimulated by the advent of a manager, would delay this tendency; but it is doubtful. Unity is being achieved on the level of state administration."

WAGER EXPECTS EXPERIMENTS SOON

Professor Wager in his discussion pointed out that the fact that there have been few attempts to inaugurate the plan was no evidence of its impracticability. "It suggests rather constitutional obstructions, legislative indifference, rural conservatism, the worship of the long ballot as a symbol of democracy, and the general neglect of county government as a field of study until very recent years. The present widespread interest in county government gives promise of some real experiments in county management in the next few years.

"It is true that we have had no genuine demonstration of the county manager plan in operation and that what has worked well in the cities may not work so well in the counties. In some respects a county is not like a city. It is not a full municipal corporation. It is less unified than a city. It has fewer technical functions to perform. It bears a somewhat different relation to the state.

"These are admittedly important differences. But there are also important similarities. The administrative tasks are very much the same—the assessment of property, the collection of taxes and license fees, the accounting and custody of public funds, the construction of highways and other public works, care of dependents, policing, operation of charitable and correctional institutions, safeguarding public health, and other activities.

"Although the county differs from the city in legal status, it nevertheless has the essential powers of a corporation. It buys supplies, employs labor, enters into contracts, and may sue or be sued for a violation thereof. The board of county commissioners resembles a board of directors of a private corporation just as much as does a city council, and it is just as logical to assume that one policy-determining body needs an executive agent or manager as the other. If the city borrowed the manager idea from the private corporation with great success, the proponents of the manager plan can be pardoned for transferring the idea to the county. The second gulf is not as wide as the first."

OPINION FAVORS MANAGER

A committee of the National Municipal League, of which Professor Wager is secretary, has just completed a survey of the need and prospect for county managers throughout the United States. In the questionnaire which this committee submitted to students and administrators of government in each state were these two questions: (1) Does the county need a stronger executive or chief administrator? and (2) Would a county manager meet the need? In answer to the first question the correspondents from thirty-one states answered "yes," those from nine states were divided, and those from six states answered "no." Four of the six states which answered in the negative were New England states where the county has only a nominal existence.

The next question, "Would a county manager meet the need?" was answered by seventy representatives from forty states. Twenty-six answered "yes" unqualifiedly; twenty-four answered "probably," "possibly," "perhaps," or "I think so," and six others answered "yes" with some qualification. There were only ten negative answers. Of these, five were definitely opposed to the manager and five were doubtful of the need or merit of such an officer. In brief, answers favorable to the manager were received from thirty-two of the forty states heard from. These answers seem to indicate a demand in many states that he be given a trial.

In answer to Dr. Porter's argument that there is more to be gained from increased state control than from the centralization of control in the hands of a manager, Dr. Wager agreed that the shifting of some functions from local to state control was desirable.

"It would be better," he said, "to have the sheriff and county prosecutor accountable to the state department of justice rather than to the manager. Neither should the manager have anything to do with school administration in its professional aspects.

"Even were greater efficiency to be secured through state administration it would not be wise, in my opinion, to dispense with local self-government. It provides the experience and discipline necessary to the maintenance of a democratic form of government in state and nation. We cannot afford to leave our rural population unattached to any vital political unit. Local self-government in the country districts has been disappointing; it has been wasteful and inefficient; it requires lots of nursing; but it must be preserved."

OTHER COMMITTEE WORK

Similar in spirit to the way in which the county government problem was tackled was the rest of the work of the conference. Other committee work included that of the National Committee on Municipal Reporting of which Colonel C. O. Sherrill of Cincinnati is chairman and Dr. Wylie Kilpatrick, secretary; the Committee on Teaching Municipal Government of which Dr. H. W. Dodds, editor of the NATIONAL MUNICIPAL REVIEW, is chairman and Joseph McGoldrick of Columbia University is secretary; and the Committee on Model Election System of which Prof. Charles E. Merriam of the University of Chicago is chairman and Joseph P. Harris of the

University of Wisconsin is secretary. A thoroughgoing report recommending widespread reforms of our present election system was drawn up by this latter committee and should be completed within a few months.

"Advances in Government During the Past Year" were outlined by Richard S. Childs, president of the National Municipal League, Dr. Luther Gulick, chairman of the Governmental Research Association, and Leo Tiefenthaler, president of the National Association of Civic Secretaries. Mr. Childs' address is published in another part of this issue.

RESEARCH HABIT GROWING

Dr. Gulick laid great stress on the progress made in adopting the habit of research in dealing with governmental policy and with governmental administration.

"As evidence I point to the unexampled number of governmental commissions and private research groups at work today with research staffs of trained and experienced investigators," he said. "To mention but a few of these, we have first of all President Hoover's Commission on Law Observance and Enforcement and his forthcoming Conference on Child Welfare, both of which are relying upon careful study of the situation by experts. During the year, in Ohio, Delaware, Missouri, California, and New Jersey, extensive surveys have been carried on for governors and legislatures by impartial professional staffs. In Wisconsin a new governor has virtually set up a research bureau within his executive office to deal with state administration.

"Faced with the problems of old-age dependency and the breakdown of public utility regulation, the state of New York has created two important commissions, both of which have selected professional research staffs, without regard to politics, to bring forward all available facts bearing upon the questions at issue. In New York definite research divisions are maintained in at least three of the important state departments, and a unique experiment is being made by the tax department which awards fellowships each year for research in tax problems to four graduate students nominated by the leading eastern universities.

"There is, of course, no need of referring to the increasing volume of governmental research projected or underwritten by the research bureaus, the great universities, the Social Science Research Council, the Spelman Fund, and the other socialized foundations of this country. The establishment at Harvard of a graduate professional school of city planning is a matter of note. The function of this school is not only to train men as professional city planners but also to influence those who are going to be architects, engineers, or civic leaders so that they may understand city planning and prove effective as citizen leaders in their own communities. The school will serve as a research and publication center in city and regional planning.

"Such investigations as the police survey which is now going on in Chicago and the study of purchasing procedure in the Borough of Queens, New York, indicate that even the most harassed political officials are coming to realize that there is no problem which cannot be solved better after the facts are known. With the year 1929, I think we can record the fact that we have, as a nation, adopted in conspicuous degree the habit of research. This is a milestone in our progress."

Dr. Gulick also called attention to the uniform crime report, "A System and Guide for Police Reports," drawn up under the auspices of the International Association of Chiefs of Police, which he termed "the most important single piece of work for the advance of administration this past year."

REGIONAL GOVERNMENT DISCUSSED

Among the high points of the conference were the luncheons on Regional Consolidation, and Aviation and Municipal Progress, and the annual banquet. Prof. Charles E. Merriam, of the University of Chicago, again threw down the gauntlet of the large city to its "rural overlords," and pointed out that the tendency for the countryside areas to control the development of cities presents a grave menace to the intelligent solution of the problems which face these centers of population. Prof. Thomas H. Reed, of the University of Michigan, at the same session told of the application of principles of regional government to Pittsburgh and St. Louis, and pointed to this new type of administrative structure as the government of the future where local areas of control come into conflict.

"Progress of the city of the future will be determined by its provision for airport facilities as the progress of cities of the past has depended upon railways and concrete pavements," William B. Stout, president of the Stout Air Lines, told the conference at the luncheon on "Aviation and Municipal Progress." R. W. Ireland, general commercial manager of the National Air Transport Company, discussed many of the administrative problems which face officials in providing adequate aviation facilities.

At the annual banquet, former Governor Frank O. Lowden of Illinois paid high tribute to the work of the conference and emphasized that municipal government would still be in the doldrums were it not for such groups as comprised the meeting. Russell Wilson, former associate-editor of the *Cincinnati Times-Star* and now councilman-elect of Cincinnati, contrasted the Ohio city under the old régime and under the city manager plan, and predicted that the city manager form of government was the one to solve the many complicated administrative problems of the city of Chicago. Robert W. Hutchins, president of the University of Chicago, also spoke briefly.

GROUP SESSIONS SIGNIFICANT

Many significant papers were presented at the group sessions of the conference, which covered such topics as "The Relationship of Crime Surveys to the Administration of Criminal Justice," "Civic Education—Training the Youth of Today for the Problems of Tomorrow," "Mechanical Helps to Governmental Efficiency," "Measurement Standards in Government," "Molding the Mass Mind," "Equalizing the Tax Burden," "Calendar Simplification and Municipal Administration," and "Traffic Regulation." Men and women of outstanding reputation in their respective fields discussed current problems.

Among those who participated were: Alfred Bettman, Cincinnati; Rush C. Butler, president, Illinois Association for Criminal Justice; Miss Jane Addams, head resident of Hull House, Chicago; William J. Bogan, superintendent of Chicago public schools; J. L. Jacobs, adviser to commissioners of Cook County; F. R. Chailquist, chief accountant, county auditor's office, Hennepin County, Minneapolis; Clarence E. Ridley, secretary of the International City Managers' Association; Miss Julia Lathrop, former director of the United States Childrens' Bureau; S. J. Duncan-Clark, chief editorial writer of the *Chicago Evening*

Post; George O. Fairweather, chairman of the Joint Commission on Land Valuation; Geoffrey T. Bailey, incorporated accountant, London, England; Meredith N. Stiles; and Miller McClintock, director of the Albert Russel Erskine Bureau for Street Traffic Research, Harvard University.

CHILDS REËLECTED LEAGUE HEAD

Richard S. Childs was reëlected president of the National Municipal League at its annual business meeting.

Vice-presidents reëlected were as follows: Glenn Frank, Madison, Wis.; Carter Glass, Lynchburg, Va.; Charles Evans Hughes, New York; W. D. Lighthall, Montreal; Meyer Lissner, Los Angeles; A. Lawrence Lowell, Harvard University; Frank L. Polk, New York; Miss Belle Sherwin, Washington, D. C.; A. Leo Weil, Pittsburgh.

Mrs. Virgil Loeb, president of the Missouri League of Woman Voters, was elected to the Council of the League. Other council members whose terms expired this year, who were reëlected for three years, were: Benjamin F. Affleck, president of Portland Cement Co., Chicago; Alexander M. Bing, president, City Housing Corporation, New York City; Harold S. Buttenheim, editor, *American City Magazine,* New York City; Mayo Fesler, director, Cleveland Citizens' League; Raymond V. Ingersoll, arbitrator, Cloak and Suit Industry, New York City; Morris B. Lambie, executive secretary, League of Minnesota Municipalities; William P. Lovett, secretary, Detroit Citizens' League; Colonel C. O. Sherrill, city manager, Cincinnati; Colonel H. M. Waite, engineer in charge of construction, Union Railway Terminal, Cincinnati.

RESEARCH GROUP NAMES FREEMAN

Harry H. Freeman, director of the Buffalo Municipal Research Bureau, was elected president of the Governmental Research Association. Other officers chosen were: John B. Blandford, Jr., director of the Cincinnati Bureau of Governmental Research, vice-president; and Russell Forbes, secretary of the National Municipal League, secretary. Members of the Council are: Dr. Lent D. Upson, director of the Detroit Bureau of Governmental Research; Dr. Luther Gulick, director of the National Institute of Public Administration; William C. Beyer, director of the Philadelphia Bureau of Municipal Research; and Messrs. Freeman and Blandford.

Miss H. Marie Dermitt, director of the Alleghany County Civic League, was chosen president of the National Association of Civic Secretaries; C. A. Dykstra of the Los Angeles City Club, vice-president; Nat Spencer, director of the Kansas City Citizens' League, secretary; and Miss Louise Morel, director of the Women's City Club of Los Angeles, treasurer.

No summary of the Chicago Conference would be complete without calling attention to the increased attendance which certainly indicates a further awakening of interest in the subject of better government. The revival of this interest, which lapsed for a period of years immediately after the war, can be attributed partly to such meetings as this. Underlying the conference, of course, are the practical achievements of men in the field, demonstrating continually that there is no necessity for government, merely because it is democratic, to be wasteful and inefficient.

To go back to our friend, Artemus, it is this putting into practical effect what once was little more than a Utopian concept—the notion that a democracy could be administered in a businesslike manner—that ultimately may lead to the confusion of him and his descendants. Fortunately, however, even if we omit prohibition and mothers-in-law, there will probably be sufficient human material left to keep the business of buffoonery booming.

MUNICIPAL GOVERNMENT IN SOVIET RUSSIA[1]

II. SINCE THE REVOLUTION

BY BERTRAM W. MAXWELL
Washburn College

Home rule and the short ballot appear to American observers to be necessary reforms in Russian municipal government. :: :: ::

THE Municipal Decree of 1925, which created the present structure of soviet city government, designates the city soviet as the governing body of cities. Like the other soviets such as those of the county and province, the city soviet is based on Lenin's teachings in regard to control of governmental agencies, namely, "centralized supervision and decentralized activity." The activity, however, is strictly regulated. In common with the city councils of Western Europe, the city soviet is a subordinate organ, but subject to far more supervision by superior authorities.

THE SIZE OF THE CITY SOVIET

The size of the city soviet depends upon the population of the community. In comparison with city councils of Western Europe and the United States, the city soviets are of enormous proportions. Some of the larger cities in the Soviet Union have urban soviets of over 1,000 members. The ratio of representation is so arranged as to draw into the local soviets of the smaller urban centers a large part of the population. Thus municipalities of one thousand inhabitants elect one deputy for every fifteen voters; towns of one to three thousand, one deputy for every twenty voters. In the larger cities of fifty to one hundred thousand, one deputy represents one hundred and fifty voters; in cities of over one hundred thousand, one deputy represents two hundred voters.[2] Every conceivable economic and social group, provided it does not belong to the disfranchised element, is given representation in the city soviet. All men and women of the "toiling" classes who are citizens of the Soviet Union[3] are entitled to vote. This also applies to the former bourgeois elements who are now engaged in "socially useful labor" or are soviet employees. In fact, since the failure of the election in 1924, the suffrage has been widened to such an extent as to exclude only an insignificant number of the adult population. The classes which are still denied the vote are private traders, merchants, middlemen (nepmen), clergymen of all denomina-

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[1] Whereas this study concerns itself primarily with the cities of Russia proper, practically the same may be said of municipal government in the rest of the Soviet Union.

[2] Moscow and Leningrad are only permitted one deputy for every 400 voters.

[3] This also applies to permanently residing foreigners of the same class.

The Odessa Municipal Theatre

tions, former agents of the imperial police, former high governmental officials, and officers of the white armies.[1] In contrast to the usages in other countries, the soviet election system is organized on the principle of vocational groups and not in territorial divisions. Shops, factories, institutions, and army organizations serve as units for electoral purposes. Smaller groups of the same category are combined to form a constituency. Only in the case of unorganized elements, such as housewives, independent artisans, etc., is the territorial scheme used; but frequently these are joined with some organized groups of voters.[2]

CONDUCT OF ELECTIONS

Elections are conducted by an electoral commission of seven members appointed by the city soviet;[3] two represent the city soviet, four the professional unions, the red army, the Komsomol (Communist Union of Youth), and the local congress of delegates of women workers, respectively, and a chairman, who must be confirmed by the executive committee of the next higher soviet. The voting takes place annually in election meetings called by the electoral commission. Notice must be given to the voters at least five days before the election. Since 1926 the electoral commission has been forbidden by law to sponsor or propose candidates. Candidates are usually suggested by the Communist group in the electoral meetings and also by the professional unions. Individual voters may announce their candidacy by coming forward in the electoral meetings and presenting themselves for that purpose.[1] The elections are open, and preferences are shown by acclamation or raising of hands.[2] Within seven days after election a protest may be entered in regard to its regularity. The local electoral commission in that case must forward the protest with explanations to the electoral commission of the next higher soviet (county, province). The latter may either confirm the election or order a new election, which is conducted by a newly appointed electoral commission. Members of the city soviets may be recalled by their respective constituencies in which event a by-election is arranged.

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[1] Some of these elements may under certain conditions be enfranchised by petitioning the appropriate central executive committee.

Kulakov, G. U., *Konstituciya S. S. S. R.* v. *Schemach,* pp. 73–80.

Bolshevik writers are indignant as to accusations abroad that only a small part of the adult population is permitted to vote. The figures of the 1926 municipal elections show that in 360 urban communes in R. S. F. S. R. only 4.8 per cent of the population were denied the vote. Whereas in 1923 about 92 per cent of the people of over 18 years of age were allowed to exercise the franchise, in 1926 practically 95 per cent of the adult population took part in the elections.

Chugunov, S. I., *Gorodskiye Sovety,* pp. 34–35.

[2] By a law passed in 1928 cities of over one hundred thousand inhabitants are permitted to organize ward soviets. Deputies may be members of both ward and city soviets.

[3] The commission may appoint a sub-commission to make out the lists of the non-organized elements of the community in the various parts of the city.

DUTIES AND PRIVILEGES OF CITY SOVIET MEMBERS

The various instructions governing the conduct of soviet members repeatedly emphasize the seriousness of the work of the deputies. They are warned that all deputies are obligated to take an active interest in the general work of the urban soviet, its committees and commissions. Not only must they attend to their official duties, but it is urged upon them to interest themselves in the various civic organizations. It is impressed upon them that as deputies they are in duty bound to attend all meetings of the municipal assembly, plenary sessions as well as sittings of committees and commissions of which they are members, and carry out faithfully all their instructions. In no case must they absent themselves from such meetings without previously having given notice to presiding officers. They must familiarize themselves with details of the work assigned to them to such an extent as to be able to make helpful suggestions for the improvement of its execution. Above all, they must keep in close contact with their constituencies and report to them on the activities of the city soviet and its committees no less frequently than every three months, and, furthermore, take part, if possible, in all meetings and discussions of their constituencies and other organized and unorganized groups of working men and women.

In turn the members of the local soviet may, on the request of the city soviet or its presidium, be excused from their usual work in shops or institutions for the time necessary to carry on their duties as deputies, without the loss of the wage they would have earned during that time. Deputies who are not employed as wage earners (such as housewives and independent artisans) are to be reimbursed for the time spent in exercising their official duties, at the rate decided on by the presidium of the soviet.

Deputies, upon show of credentials, are to have free access to all municipal institutions, undertakings, and officials. They are entitled to demand information and explanations, except that in cases when information is of a confidential nature the request must come from the presidium of the soviet.[1]

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[1] In recent years regular electoral campaigns have been conducted, and candidates recommended by means of advertisements in the press and the distribution of campaign literature. It is interesting to note that the non-party elements are largely represented in city soviets and frequently form a majority, although the leadership is still with the communists.

[2] An unusual phase of soviet elections is that alternates are also elected.

MEETINGS OF THE CITY SOVIET

The first plenary meeting of the newly elected urban soviet is called by the electoral commission and presided over by the president of the previous soviet. At this meeting a new president, presidium, and credentials committee are elected. The report of the electoral commission is also heard at this time. Thereafter the city soviet meets at least once a month. Special sessions may be called by the presidium or on the request of one-third of the members. A three-day notice must be given to the deputies, indicating the exact time and place of meeting.[2] Private citizens are allowed to attend the meetings, but only members may vote.

Since in the larger cities the size of the city soviet precludes debate or discussion, the plenary session merely passes on reports and proposals of the presidium and committees. The plenary session, however, must pass on the municipal budget, loans, accounts, the number of committees, election of delegates for congresses of soviets, and plans of work for the plenary session and committees. One-half of the membership constitutes a quorum for all business.[3]

THE POWERS OF THE CITY SOVIET

The city soviet under present legal provisions exercises a fusion of legislative, executive, and administrative functions. Although its powers are nominally extensive, it is not by any manner of means autonomous. There is a rigid supervision of all its activities and nothing can be undertaken unless expressly permitted by higher soviets or their executive committees. While the city soviet is authorized to issue regulations, they must be based on provisions of higher agencies. Before issuing an ordinance the local soviet must ascertain whether or not it would conflict with enactments passed for that purpose from above. In all cases of doubt, higher soviets must be consulted. A provision of a higher soviet on a given subject automatically voids the regulation of the lower on the same subject. Within these limitations the city soviet may pass regulations for the purpose of carrying out administrative tasks delegated to it by higher soviet authorities and for the maintenance of "revolutionary" law and order in the territory under its jurisdiction.

In the field of general administration the city soviet is authorized to appoint electoral commissions, to direct the activity of ward soviets, to transfer to religious organizations buildings and properties necessary to their ritualistic usages, to supervise the activities of their religious groups, and to make sure that the law in regard to separation of church and state is being strictly observed. It further takes measures for the prevention of disasters such as floods, fires, etc., and renders assistance to the victims of such occurences, forwards complaints by citizens against the rulings of city organs and city employees to appropriate authorities, and in some instances may institute hearings on the same. The city soviet directs the suppression of crime,[4] keeps records of vital statistics, is the custodian of municipal funds, recalls municipal judges and prosecutors,[1] and renders legal aid to the toiling population.

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[1] *Polozheniye o Gorodskich Sovetach* (1925), Chapter 6.

[2] City soviets frequently meet at factories and shops for the convenience of members and private citizens.

[3] *Polozheniye o Gorodskich Sovetach* (1925), Chapter 4.

[4] The actual carrying out of measures is left to the militia (police) and G. P. U. (State Political Administration).

The financial and taxing jurisdiction of the city soviet extends to the making of estimates and planning, confirming, and administering the budget. It supervises the collection of taxes and assessments levied by the state and sees to it that the funds reach the proper authorities. For the needs of the community the city soviet is permitted to levy and to collect municipal taxes, surtaxes, and assessments as authorized by law, and to petition higher authorities for subsidies and additional revenue. It may engage in the organization of credit and savings institutions, negotiate loans with state, coöperative, and private banks, and with persons in the Soviet Union or abroad, and issue bonds and certificates of indebtedness.

In the field of economic-commercial enterprise the city soviet is authorized to manage existing enterprises and organize new undertakings (it may also transfer its establishments to lessees), and in general encourage the development of industry and trade by assisting all coöperative organizations. In addition the city soviet may organize and operate passenger and freight transportation, and may manage power houses, water works, disposal plants, and other public services; it may build communal dwelling places and distribute living space in accordance with provisions of the law.

The city soviet is charged with protection of labor, for which purpose it may compel private and public enterprises to observe the laws in regard to payment of wages and fulfillment of collective and individual contracts, and relieve unemployment by establishing, in agreement with labor organizations, employment agencies, public works, and eating places. It sees to the installation by various industries of safety devices and technical improvements for the betterment of labor conditions. It also enforces the law in regard to social insurance.

In matters of public health the jurisdiction of the city soviet covers a wide and varied field of activity. It establishes and operates clinics and prophylactic stations, and organizes campaigns for the eradication of social and vocational diseases. To that end it is enjoined to coöperate with health institutions established by higher soviets. It also provides recreation grounds for the encouragement of sports, and in general supports any movement which would serve for physical betterment of the community. The city soviet carries on sanitary inspection of dwelling places, laundries, court yards, basements, streets, and other public places. For purposes of general welfare it may regulate the illumination of stairs, and house numbers, order repair or demolition of buildings or parts thereof, and removal of snow from roofs. It is also responsible for the conditions of sidewalks, parks, playgrounds, water mains and sewers, cisterns and wells, and issues traffic regulation for tramways and buses. The authority of the city soviet extends also to the regulation of amusement places, moving pictures, restaurants, clubs, tea rooms, saloons, and business hours of shops and stores. It distributes space at markets, fairs, and other places designated for trading. The city soviet, among other tasks, is also charged with the rendering of assistance to needy families of the red guards who have been killed in battle or in line of duty; it passes regulations for the protection of motherhood and infancy, and organizes institutions for care of the aged, the disabled, and homeless children.

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[1] This provision applies only to cities which are seats of governmental divisions.

The city soviet is instructed to endeavor to raise the cultural and educational level of the community, and to that end it may organize and maintain general and special educational institutions, clubs, reading rooms, libraries, theatres, and conduct lecture courses on political and general cultural subjects. It passes ordinances for the protection of historical landmarks, monuments, antiquities, and objects of art.[1]

The city soviet, if called upon, must provide quarters for troops and supply them with communal services in accordance with legal provisions. The law authorizes the city soviet to punish violation of its regulations by a fine of not more than 100 rubles or by a sentence to forced labor for not over one month.[2]

EXECUTIVE AND ADMINISTRATIVE ORGANS

The Constitution of 1918 provided that for purposes of actual administration the city soviet was to elect an executive committee which was solely responsible to the city soviet of deputies, but during the civil war and famine local self-government practically disappeared and was not revived until 1922[3] when a Municipal Decree was passed. Under this legislation the independent executive and administrative organs of the city soviet were abolished and the machinery of the executive committees of the county and provincial soviets was substituted to serve the needs of the municipalities. Furthermore, the presidia of the higher soviets were at the same time considered the executive and the administrative organs of city soviets.[4] This paralyzing legislation had a discouraging effect on city activity which the central agencies were anxious to revive, so after three years of fruitless effort on the part of the central authorities to overcome the dormant condition of the cities, a new decree was passed in 1925, under which the actual conduct of city administration was delegated to a president and presidium of eleven members, elected by the city soviet out of its own membership. The presidium serves as a collegial city executive, and constitutes between sessions of the urban soviet the superior organ of the municipality. It executes all ordinances in the name of the city soviet.[5] This does not mean that cities have been freed from administrative tutelage of the higher soviets, for the law authorizes the city to organize only one municipal department, and that is a department for direct management of communal property.[6] For the administration of all technical tasks, however, the executive committee of the next higher soviet designates certain sections of its departments, and details staffs of technical workers for the municipal activities. To be sure, these sub-divisions of departments of the executive committee of the higher soviet singled out for this purpose are to be separated entirely from the rest of the departments, with separate organization, accounting, and records; they are to have a purely municipal budgetary account in no way connected with the higher soviet. In order to modify this rather cumbersome and complicated arrangement, the law provides that the city soviet, in agreement with the executive committee of the next higher soviet, may appoint directors to take charge of the subdivisions of departments assigned to city work.[1]

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[1] The city soviet must also take care of the cultural needs of national minorities within its territory.

[2] *Polozheniye o Gorodskich Sovetach* (1925), Chapter 3.

[3] See the writer's article on *Municipal Government in Soviet Russia*, in the NATIONAL MUNICIPAL REVIEW for December, 1929.

[4] This provision was applicable only to municipalities which constituted seats of governmental divisions, but this number practically included most cities and towns of any importance. *Polozheniye o Sovetach*, etc. (1922), Sections 8–9.

[5] In practice a group of three members of the presidium, variously known as the bureau of the presidium, the working trio, etc., represents the city in all its official business; this smaller collegial executive is generally composed of the president, his deputy, and secretary.

[6] The vice president of the city soviet is frequently the director of this department.

COMMITTEES AND COMMISSIONS

The Decree of 1925 provides for the appointment by the city soviet of five permanent committees, namely: communal economy, financial-budgetary business, education, public health, and coöperative trade. Other committees may be appointed by local soviets in accordance with their needs. In most city soviets there are ten or more additional committees and they are known as administrative, cultural, sanitary, judicial, trade, etc. Deputies may select the committee they would prefer to join, but under some conditions may be appointed to committees not of their choice. Every deputy, however, must be a member of at least one committee and, theoretically, in the line of work in which he is mostly interested or adapted by training and experience. In addition to deputies, private citizens, such as representatives of professional unions, shop committees, and other organizations, may be drawn into committee work. The technical director of that department of city work which comes under jurisdiction of a particular committee must always be included in its membership. Experts and technicians may be invited to single sessions and may have a consulting voice in the deliberations and discussions. This is an indication that the expert and technician is being recognized to some extent in city administration of the Soviet Union.

All committees elect bureaus of at least three members, with a chairman. deputy chairman, and secretary. The bureaus supervise and guide in detail the activity of the committees. The work of the committees in general consists in preparing and examining projects to be reported to the presidium or city soviet. They may also inspect public institutions and enterprises and report on their condition to appropriate authorities. Committees may appoint permanent commissions (sub-committees) to study in more detail particular departments and administrative branches within the jurisdiction of a given committee. They may also appoint temporary commissions for the purpose of preparing a particular project.[2]

Only a few years have elapsed since Soviet Russia has emerged from civil war and general chaos. The present system of municipal government is still too much under the influence of militant bolshevism motivated by fear of a counter-revolution. The cities as yet have not been permitted to develop adequate administrative machinery.

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[1] *Polozheniye o Gorodskich Sovetach* (1925), Section 19.

Some Bolshevik writers on municipal government are dissatisfied with this linking of city management with county and provincial machinery. They urge more freedom in city affairs and lessening of cumbersome supervision by higher soviets. See Chugunov, S. I., *Gorodskiye Sovety*, p. 89; Elistratov, A. I., *Administrativnoe Pravo*, p. 92. Conversely, others justify it on the grounds that the creation of an independent city executive committee would create misunderstandings between it and the higher executive committee located in the same territory. The obvious reason for this arrangement, however, may be found in the reluctance of the Soviet central authorities to permit too much local independence, especially since the suffrage has been widened to an extent as to permit nonparty majorities in city soviets.

[2] *Polozheniye o Gorodskich Sovetach* (1925), Chapter 5, Sections 45–61.

Too much stress is laid upon the idea that the city soviets are merely the "cells" of the soviet state apparatus, that is, organs of proletarian dictatorship. But already even among the faithful communists doubts are arising as to the advisability of linking city business with the complexities of state policies. There is a growing demand for more city independence, as far as purely local affairs are concerned, a quiet, yet persistent opposition to excessive meddling and supervision from above. What form the city organs will assume in the future, if state sovietism survives, only time can tell.

FEELING THE CITY'S PURSE

BY HENRY L. SHEPHERD, JR.

Is it possible to know when a city's expenditures exceed the ability of its taxpayers to support them without injuring the prosperity and welfare of the community? :: :: :: :: :: :: :: ::

THE Joneses want to buy a new car. But can they afford it? The answer is easy to find, as Jones knows his income and, if he has a careful wife, has kept fairly accurate check of living expenses. A simple balancing shows a margin of surplus, which may be large enough to make the payments on a car. But suppose it is not.

Then Jones is faced with two alternatives: forget about the car, or increase the margin, the surplus. To do the latter he has either to curtail living expenses or earn more money, or both. The former would seem difficult, though most American familes desiring to own a car do it unhesitatingly, but the latter is in most cases an insuperable obstacle, since Jones is, like the majority of Americans, a salaried man or a wage earner. Salary increases seldom are gotten for the asking and individual wage increases are rarer still. Added work, if available, would so decrease Jones' leisure that he might not consider the sacrifice worth while. One other recourse remains—Mrs. Jones can go to work.

Just as there are Joneses who want cars, there are cities that desire auditoriums, terminals, park systems, utilities, but can the question of whether to make the outlays at some particular time be answered in the same manner as Jones answers his problem? In an attempt to suggest a means of providing municipalities with a solution of their difficulties in this channel the writer has considered Trenton, a New Jersey industrial city of about 135,000 population that wants to build a port on the Delaware River, a $700,000 project, the United States to match this amount with a million and three-quarters. Taxpayers of Trenton, already far from philosophical about the tax rate, are not so sure about allowing their burden to be increased. Is the problem of gauging the city's pocketbook as easy a matter as that of the Jones family? How can the administrators or a body of taxpayers determine what their city can afford? Is there some kind of sphygmograph that can record the municipal pulse?

In such a study, we have one advantage over Jones, but he has a more tremendous one over us. In the first place, we can, by recourse to the United States Financial Statistics of Cities, find the expenditures of the government to the penny. We are stumped, however, at the point where Jones has his least trouble—what is the capacity of the source from which the money for the outlay is to come?

Governments are in the habit of taxing the incomes of their resident persons, natural and artificial, to an extent measured by required expenditures, just the opposite of Jones' procedure. The city fathers usually rely on howls by the taxpayers to let them know when they are endangering the life of the layer of golden eggs, though some improve on this primitive method by making comparisons with what other cities are doing, another doubtful procedure at best.

Administrators, in justifying their method of looking first to public expenditures, then to revenue, point to the rule of budgetary administration which first calls for a survey and estimate of needs, then provision of the ways and means of supplying the funds. Surely, the practical limits of public expenditure are set by taxable capacity.

Taxable capacity. What does the term mean? It seems hardly more than a phrase, an abstract, theoretical phrase, full of conditions, qualifications and limitations. As Sir Josiah Stamp says, the limits of tax capacity are flexible, depending on the use to which the money is to be put, the spirit and psychology of the people taxed, the way in which the money is raised, and the distribution of wealth.

Certainly this is a maze through which no city father can guide himself. If only there were some device to gauge and register the point in taxation beyond which it would be inadvisable to go, as a barometer warns of a gathering storm. But that is in the realm of magic.

A BAROMETER OF TAX CAPACITY NEEDED

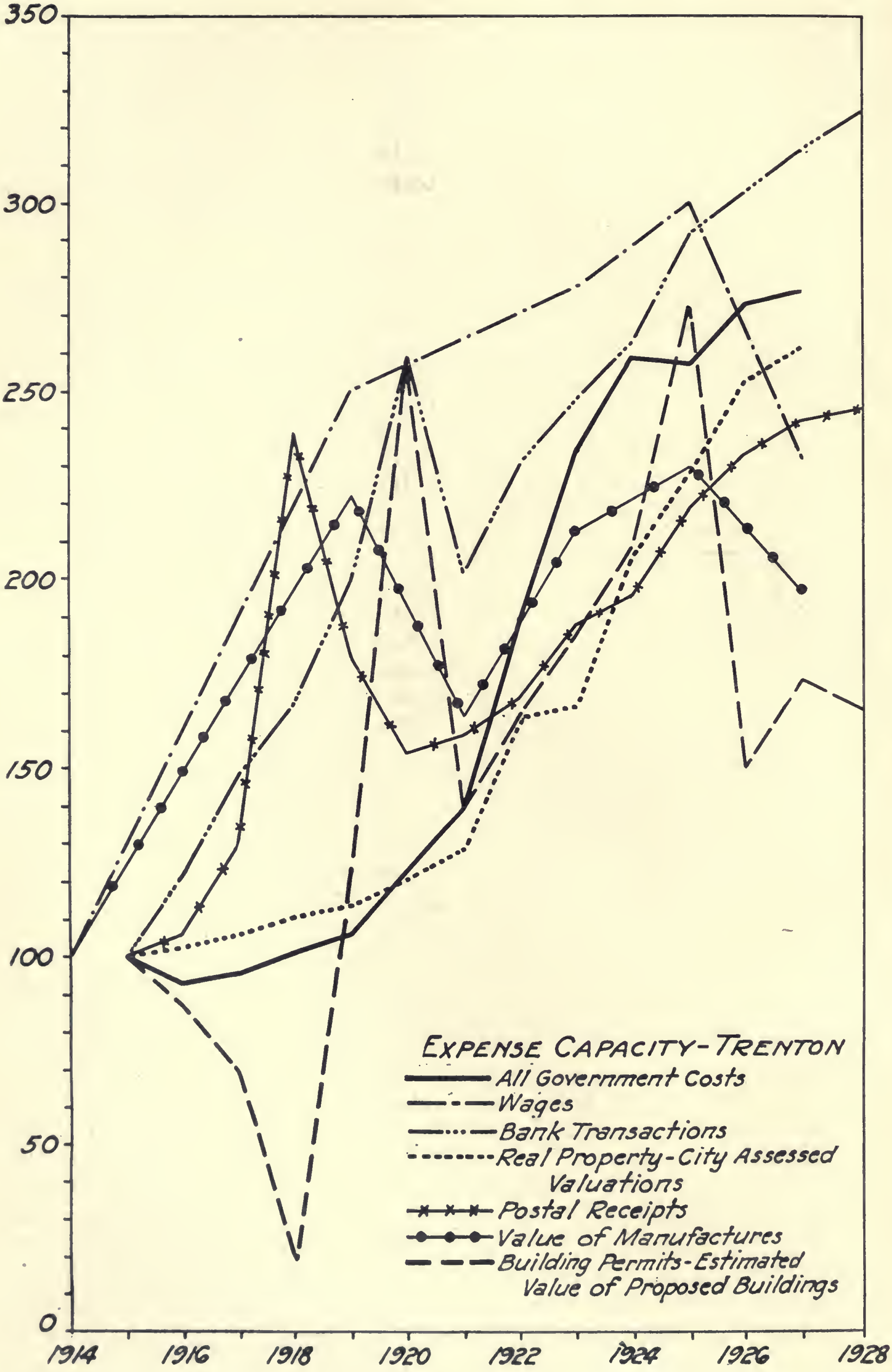
It is easy to see what cannot be done. But should the problem of what a city can afford be left to rest in limbo? Is there any method of informing the city administrator when there is danger ahead in increased expenditures?

We all know that costs of government have increased in all fields. About one-fourth of municipal expenditures are for what are known as primary functions, *i.e.*, protection of life and property, maintenance of law and order. Three-fourths are expenses under the head of secondary functions, which include the long list of social projects. The ratio of secondary to primary has increased greatly in the last decade, and it is safe to predict that activities which once were considered as "optional" are now or will in large part be looked on soon as necessities of an advanced state.

If one of Jones' alternatives is applied to the city seeking a greater margin of revenue for some pet project, economy in the costs of government would be demanded. However, economical management of all city affairs is to be insisted upon at all times, no matter what the immediate motive.

Very well, but Trenton, wanting this new port, might ask for retrenchment. Where will that lead the municipality? If curtailment of expenses in the field of primary functions is attempted, a relatively small field at the outside, protests will be heard at once. Less police protection will mean jeopardizing the citizenry, less fire protection will be reflected in increased insurance rates. Paring down the administrative force might result in inefficiency and could at best result in a small saving.

Turning to the field in which 75 per cent of the city's revenue goes,


350
300
250
200
150
100
50
0
1914
1916
1918
1920
1922
1924
1926
1928
EXPENSE CAPACITY-TRENTON
All Government Costs
Wages
Bank Transactions
Real Property-City Assessed Valuations
Postal Receipts
Value of Manufactures
Building Permits-Estimated Value of Proposed Buildings

what can be done? Port building is in itself an optional function, so it becomes a question of balancing the benefits to be realized from a river improvement, an economic project, against those from the many social projects. To make the port possible shall that park system or those new schools or the much-needed clinics go by the boards? Even if the port in the future might prove to be a productive expenditure (a matter that on the face of it seems fraught with grave doubts, but should at all events bear a careful investigation) it is safe to say that there are many social needs which under present standards have ceased to be optional in the generic meaning of the term, and have come to be urgent.

So the city and Jones are in the same boat. If they are going to have their port and car, respectively, they must certainly increase their incomes, and by income of the city is meant its revenue. Jones can take additional work or allow his wife to seek employment. The city can raise its tax rate, or possibly it can find new sources of revenue, though it is scarcely conceivable that such sources have been lying unexploited in an amount sufficient to launch a project of much magnitude. The most that can be hoped for is a combination of the two schemes.

CAN THE COMMUNITY STAND THE EXPENDITURE?

But we return to the question propounded in the beginning, namely, is it advisable that the community undertake the added burden? In the case of Trenton, as the accompanying chart shows, or will with some explanation, the city's industrial and commercial growth in comparison with her increase in municipal expenditures has been such as to merit extreme caution in embarking on its proposed river improvement.

Now, let us look into the method of arriving at this position.

First and last, we must show a relation between the breed and capability of the goose and the size of the egg she is expected to lay, namely, the total income which is to be taxed and the city's expenditures. Increases in secondary expenditures cannot ignore their relation to the increase or decrease of the incomes to be taxed. When we see that secondary and "optional" outlays have increased greatly in American municipalities we must see also that so have the incomes of their citizens.

Let us say, then, that a city's total expenditure should bear a relation to its prosperity. Then, how are we to measure the prosperity of cities? For statistical purposes, it is not such a difficult matter to arrive at the total of private incomes for state calculations, but in the cities we face a different problem — no figures are available on incomes of taxpayers by cities. What, then, shall be used as criteria of a municipality's prosperity?

The writer suggests six: (a) city assessed valuation of real property, (b) bank transactions, (c) postal receipts, (d) value of manufactured products, (e) estimated value of proposed buildings for which permits have been issued, and (f) wages. These are not taken because they are the best, but because they are the only ones available. All but the second and fifth are from the federal censuses.

EXPLANATION OF CHART

Before going on to a discussion of these, the justification of their use, and the conclusions that may be drawn from them, it is necessary to account for the fact that the accompanying chart shows trends in all these factors, along with governmental costs, all plotted on the same scale by the use of index numbers. We are interested in relative values and trends that we hope will guide us to a conclusion. Index numbers fill the bill.

In this study trends have been inspected from a pre-war year to the present, or rather, as near to the present as statistical compilations will permit. For all factors except wages and value of products of manufacture, 1915 was taken as the starting year, since the desired records were uniformly available from that time only. Figures for each factor of 1915 become 100, then by simple proportion the numbers for each successive year were arrived at in their relation to the 100 of 1915. Since the census of manufactures was issued for 1914 and not again until 1919, of course the index numbers for wages and manufactured products had to be put at 100 as of 1914.

Are there not others than the six criteria named? How about car loadings? Possibly an acceptable index of prosperity, but unavailable unless the city boasts an unusually busy chamber of commerce. Then there are automobile registrations. Here, too, there were no records kept by the city of Trenton; though, even if there were, several elements would muddy the waters, such as the great number of transfers, transients, etc. Department stores could yield some interesting, and perhaps conclusive, testimony from yearly sales, but such information is difficult to obtain. Wage earners used to be thought of as a reliable criterion, but the increased number of industries is often balanced by technological advances, so that the number of employees may remain almost stable in a growing industrial city. At least, that is the case in Trenton, where the number of workers has increased by only 137 in 14 years, comparing the figures of 1914 and 1927. If the federal government compiled statistics showing reported personal incomes by cities, it might be a great help, though the changes in exemptions would allow an extremely variable factor to enter the picture. The fact remains that the federal government has not done this.

Dismissing from consideration what we cannot get, let us see whether what we have is worth while. Obviously, assessed value of real property is a criterion. Barring a fluctuating rate of assessment, which can move only within narrow limits and usually tends to seek a level and stay there, increased tax-paying power for local purposes bears an almost direct relation to increased property value. In limiting the figures to real property instead of using the total ratables the writer feels justified in view of the inability of the general property tax to reach intangible property and the apparent unwillingness of assessors to bother much about personal valuations.

As for bank transactions, it must be remembered, of course, that a great increase in the use of credit instruments took place just about the war period, though that element can be discounted, if after a certain point bank transactions increase along with the other indicators. Transactions of banks are used instead of clearings because of their greater reliability as an index of prosperity. The former figures show business done by all banks, irrespective of relations with each other, while clearings show the exchange of checks between banks, so that a merger of two or three banks (several of which have taken place in Trenton during the period considered) would throw such a calculation out of line by decreasing the quantity of interchange.

Postal receipts appear to be a fair index, as they reflect many things, the psychology of the people, the rush or depression of business, the activity of the city.

Value of manufactured products, while not directly a measure of private income, is certainly a criterion of an industrial city's prosperity. It will be said immediately that the decreased buying power of the dollar will falsely color any such index as this. However, in measuring all these criteria in dollars, does not the fate of the dollar go hand in hand with each of them? A factor common to all is cancelled out. The dollar that can buy only three-fourths as much now as it could in 1915 is used alike for buying pottery, bread, property, building materials, labor, and city government.

Estimated value of buildings for which permits are issued is the most sensitive of all the factors employed, and so might prove to be the despair of such a study as this, but with allowances it can do its bit in the synthesis.

The last of the criteria is that of wages. As intimated, this can be a fairly reliable index in itself, as the number of wage earners has remained nearly constant. In a commercial city, where technological advances do not affect man power in the same degree as in industrial centers, it would be wise to establish a correlation of wages and wage earners. It is patent that the real wages are much greater now than before the war, but at the same time, living standards are elevated, and likewise standards of government service have climbed to a new level—more is demanded of the government today than ever before.

So we have six criteria which we are to balance against costs of government, a figure, by the way, which includes operation, maintenance, interests and outlays. It might be interesting to correlate all these six into one grand index, though that would be stretching the point to its breaking. The efficiency of each factor individually is subject to challenge; were they consolidated there could be no basis for "weighting" them.

WHAT THE CHART SHOWS

Now let us see what the chart shows.

Wages took a tremendous leap during the war, and in 1923 were seeking new levels, the peak of which was reached in 1925. But in 1927 the income from wages was much lower than at the last preceding census, due, not so much to decreases in wages, but to unemployment. So far as the individual worker is concerned, wages usually drop in the wake of falling prices. Prices are falling, so the best that workers can hope for is to maintain the present level, if past experience is indicative. It will be observed how very wide apart the lines of governmental costs and wages were in 1919 and how chummy they are in 1927. Governmental expenditures, when balanced against Trenton's wages line, point to caution.

Bank transactions keep zooming along. Eliminating the peak reached in 1920, a line could be drawn from 1919 to 1921, thus connecting a continuous, straight line of advance from 1915 to 1928. True, the climb is not so steep in the last three years as in those preceding; perhaps a peak has been reached. However, in fairness, it must be said that if this were the controlling factor in the survey it would have to be said that governmental costs could do some traveling to catch up. Of course, attention can be called again to the fact that an increased use of credit instruments has been notable.

Assessed valuations point to an interesting inference. Whereas in the years from 1915 to 1920 expenditures lagged behind assessments, relatively, since then they have always been well advanced over property values. Of course, during the war, while the rate of assessments did not change, government costs for all the secondary functions lagged sadly, but the chart shows a decided tendency to take the two lines farther and farther apart since 1920. Only in the last two years for which figures are given has a closer relation between the two developed. If such proximity is desirable, then an extraordinary expenditure such as the one Trenton proposes, which would send the governmental cost line scooting away again, is inadvisable. There has been no conscious change since 1915 in the ratio of assessed to true value of real property.

As with bank transactions, postal receipts, if the war peak were removed, would show a steady rise, which, however, is decidedly slower in recent years. The mountain peak during the war can be accounted for easily, due both to increased letter writing (to Trenton's part of the seven million men in service, and that incident to a frenzied industrial period) and to increased postage rates. Compared with the more perpendicular advance of government costs, postal receipts do not indicate the existence of wherewithal for Trenton's new port.

Value of manufactured products, after the tremendous rise to be expected during the war, has decidedly subsided in Trenton. Despite the depression of 1921, in 1923 Trenton's manufactures were worth as much as they were in 1919, but there has been no appreciable rise since then to match strides with the advancing government costs. In fact, from 1925 to 1927 a distressing drop in manufactures is seen which should warn the city that the time is not ripe for plunging. Now here it may be said, in spite of the argument against allowing the price index to enter the discussion, that such a drop in value of manufactured products may be no danger signal at all, but may be merely the reaction to prices. Two replies can be made to that: one, that made before, namely, that the same dollar buys government services that buys raw materials and labor. Second, even taking the commodity index into account, a drop of only 8 per cent is noted in prices from 1925 to 1927, while the value of Trenton's manufactures has tobogganed 15 per cent. The difference should point toward the position indicated above, since government costs have mounted unwaveringly.

The building permit line is an interesting one, dropping in 1918 to 20 per cent of its 1915 level. Then, of course, came the shooting star effect in the next two years, followed by the slump in the disconsolate year of 1921. A rapid recovery in a period of prosperity from 1922 to 1925 evidently carried building to a point approaching saturation, as shown by the precipitous fall in the next year, with only a slight recovery in 1927, followed by a slump again in 1928. Probably the significant feature of this factor is that the government costs line in 1926, relatively, equalled the greatest peak of the building line, and keeps on ascending while building is in the doldrums.

To sum up, it must be borne in mind that the statistician always seeks refuge in the law of averages. If one factor is out of harmony it will betray itself. But if the preponderance of testimony points in one direction it seems safe to draw a conclusion with a hint of authority.

THE CONCLUSION

Taking the trends as shown on the chart, line for line, it is evident that the increase of governmental costs has more than kept pace with the increase in wealth. There is certainly ample justification for the increased cost, as there is evidence aplenty that education, recreation, sanitation, charitable institutions, hospitals, etc., have received vastly greater appropriations, year by year.

Most of the secondary functions of the social type, as distinguished from economic, in these days have assumed the nature of primary functions. It is to be expected that expenditures for such purposes will continue to increase. Just as Jones, bettering his standard of living, moves from a cramped flat to a spacious house with modern conveniences and a yard for his children to play in, so does the city expand and live better. To discourage such expenditures is not the theme of this study, nor in the case of Trenton does it seem necessary to call a halt there—the lines of cost and income are in proximity, but not in disproportion. The point here is that, because of the indications made, Trenton cannot depend on increased wealth at present for her port. To get it she must either lower her standards at the expense of the community well-being or overburden the municipality with debt—neither wise. Jones would stop short of these courses, and what is the city but a community of Joneses?

Had the governmental cost line veered off on an even keel instead of so closely following the other lines, a different conclusion would have been inevitable. Just so would Jones have decided on getting a car, had he found a margin of surplus large enough.

If the city fathers still wish to apply the rule of benefit to expenditures, this chart should impress on them to make doubly sure of such benefit. If the port improvement is looked on as a reproductive expenditure, i.e., one that will assuredly pay for itself, then that question also should receive more than usual consideration.

It may be said that this latter is the preponderant consideration, but the value of the procedure here outlined lies, the writer believes, in aiding a city administration to decide whether the outlay should be made at the current time. Since the return on the outlay may not always be computable, as in the case of a social project as opposed to a utility, it is important to know whether the body of taxpayers is in a position at a particular time to make an increased outlay, no matter how justifiable the object.

APPRAISING MUNICIPAL REPORTS

BY CLARENCE E. RIDLEY

University of Chicago

Dr. Ridley presents his annual evaluation of the municipal reports which he has reviewed through the year in the Recent Books Reviewed department. :: :: :: :: :: :: :: :: ::

THE accompanying table represents an attempt to grade the municipal reports which have been reviewed in these columns since the last summary was published in the January, 1929, issue of the REVIEW. The first of such summaries appeared in the issue for March, 1928. As this is the third summary to appear, an opportunity is afforded to make some comparisons with the reports of previous years, and perhaps some conclusion can be drawn as to whether the character of public reports is improving.

REPORTS REVIEWED

This summary contains twenty reports; the one appearing in January, 1929, covered seventeen; and the first summary but twelve. The cities whose reports are appraised herein were reviewed in the following issues:

June—Alameda, California; Summit, New Jersey; and Westerville, Ohio.
July—Cincinnati, Ohio; Norwood, Massachusetts; and Pontiac, Michigan.
August—Austin, Texas; Brunswick, Georgia; and Two Rivers, Wisconsin.
September—Plymouth, Michigan; Roanoke, Virginia; and Syracuse, New York.
October—Clawson, Michigan; East Cleveland, Ohio; and Staunton, Virginia.
November—Hamilton, Ohio; and Lynchburg, Virginia.
December—Kenosha, Wisconsin; New London, Connecticut; and Springfield, Ohio.

BASES OF GRADING

The twenty criteria upon which the reports were graded, briefly stated, are as follows:

I. DATE OF PUBLICATION

1. *Promptness.* The report will have little value unless published soon after the end of the period covered—six weeks as a maximum.

II. PHYSICAL MAKE-UP

2. *Size.* Convenient for reading and filing, preferably 6″ x 9″.

3. *Paper and type.* Paper should be of such a grade and the type of such size and character as to be easily read.

4. *Important facts.* The more important facts should be emphasized by change of type or by artistic presentation.

5. *Attractiveness.* The cover, title, introduction, and general appearance should aim to attract the reader and encourage further examination.

III. CONTENT

A. *Illustrative Material*

6. *Diagrams and charts.* Certain established rules should be followed to insure an accurate and effective presentation.

7. *Maps and pictures.* A few well-

TABLE OF COMPARATIVE RATINGS OF MUNICIPAL REPORTS

Explanation.—The number "5" denotes approach to an acceptable standard, while "0" indicates the value on that particular criterion to be practically negligible. Intervening numbers denote the degree of variation between these two extremes. A total of 100 would indicate a perfect score.

Criteria	Alameda, California	Austin, Texas	Brunswick, Georgia	Cincinnati, Ohio	Clawson, Michigan	East Cleveland, Ohio	Hamilton, Ohio	Kenosha, Wisconsin	Lynchburg, Virginia	New London, Connecticut	Norwood, Massachusetts	Plymouth, Michigan	Pontiac, Michigan	Roanoke, Virginia	Springfield, Ohio	Staunton, Virginia	Summit, New Jersey	Syracuse, New York	Two Rivers, Wisconsin	Westerville, Ohio
I. Date of Publication																				
1. Promptness	2	3	3	4	3	1	0	0	0	0	4	3	4	3	0	5	4	1	3	5
II. Physical Make-Up																				
2. Size	5	4	5	5	5	5	5	5	3	5	5	5	5	4	5	5	5	5	5	5
3. Paper and type	5	5	5	5	5	5	5	4	5	4	5	5	5	5	5	5	5	5	5	5
4. Important facts	2	2	4	5	3	3	3	3	3	2	1	1	2	2	3	3	1	4	2	1
5. Attractiveness	5	4	5	5	3	4	5	4	5	4	3	4	4	3	5	4	4	5	5	4
III. Content																				
A. *Illustrative Material*																				
6. Diagrams and charts	4	3	5	5	0	3	3	4	4	0	0	0	5	2	0	4	3	5	3	3
7. Maps and pictures	5	3	3	5	2	3	4	1	4	1	3	4	5	2	2	4	1	5	3	4
8. Distribution	4	3	5	5	2	4	5	4	5	1	4	3	5	3	3	4	4	5	3	4
B. *Composition*																				
9. Table of contents	5	5	5	5	0	5	0	0	5	0	4	0	4	5	0	5	0	5	5	5
10. Organization chart	5	0	5	5	0	5	5	5	5	5	5	0	5	0	5	5	0	5	5	5
11. Letter of transmittal	4	3	5	5	3	4	5	4	4	4	4	4	4	5	4	5	3	5	4	4
12. Recommendations and accomplishments	4	3	5	5	4	3	5	5	3	3	4	4	4	5	4	5	2	5	5	3
13. Length	0	0	0	0	0	5	0	0	0	0	0	5	0	0	0	5	5	0	5	5
14. Literary style	4	4	4	4	3	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
15. Arrangement	4	4	4	4	3	4	5	4	4	4	3	4	4	4	3	5	4	4	4	4
16. Balanced content	4	4	4	4	3	4	3	4	4	4	3	4	5	5	4	4	4	4	5	3
17. Statistics	4	4	4	4	3	4	4	4	4	4	2	3	4	3	4	4	3	4	3	3
18. Comparative data	2	3	4	4	3	4	3	4	4	3	3	0	4	2	4	4	3	4	2	2
19. Financial statements	4	3	4	3	3	4	4	4	4	4	3	3	4	4	4	4	3	4	3	3
20. Propaganda	4	5	5	5	4	5	5	5	5	5	5	5	5	5	5	5	5	4	4	4
Totals	76	65	84	87	52	79	73	68	75	57	65	61	82	66	64	89	63	83	78	76

chosen maps to indicate certain improvements, and a liberal supply of pictures, pertinent to the report, should be included.

8. *Distribution.* Great care should be exercised in placing the illustrative material contiguous to the relevant reading material.

B. *Composition*

9. *Table of contents.* A short table of contents in the front of the report is a great aid for ready reference.

10. *Organization chart.* An organization chart or table indicating the services rendered by each unit, if placed in the front of the report, will help the reader to a clearer understanding of what follows.

11. *Letter of transmittal.* A short letter of transmittal which either contains or is followed by a summary of outstanding accomplishments and recommendations for the future should open the report.

12. *Recommendations and accomplishment.* A comparison of past recommendations with the progress toward their execution will serve as an index to the year's achievements.

13. *Length.* Fifty pages should be the maximum length.

14. *Literary style.* The text should be clear and concise, reflecting proper attention to grammar, sentence structure, and diction.

15. *Arrangement.* The report of the various governmental units should correlate with the organization structure, or follow some other logical arrangement.

16. *Balanced content.* The material should show a complete picture, and each activity should occupy space in proportion to its relative importance.

17. *Statistics.* Certain statistics must be included but, wherever appropriate, they should be supplemented by simple diagrams or charts.

18. *Comparative data.* The present year's accomplishments should be compared with those of previous years, but only with full consideration of all factors involved.

19. *Financial statements.* Three or four financial statements should be included, showing amount expended and the means of financing each function and organization unit.

20. *Propaganda.* It is unethical and in poor taste to include material for departmental or personal aggrandizement. Photographs of officials, especially of administrators, seem out of place in a public report.

The application of these criteria to the reports is shown in the accompanying table.

COMPARISON WITH PREVIOUS SUMMARIES

A comparison of the reports reviewed in 1929 with those for the years 1928 and 1927 on the whole furnishes some grounds for optimism, yet in some respects the results are not so favorable.

Promptness

The showing of the reports for the past year in respect to promptness is not very gratifying. The average length of time consumed in getting the report to the public after the end of the period covered was 4.7 months. The corresponding figures for 1928 and 1927 were 3.7 and 4.5. The standard upon which the grading is made is six weeks. Only two out of the twenty reports reviewed met this requirement—those of Staunton, Virginia, and Westerville, Ohio. The delay is usually caused by waiting until the end of the period covered before beginning the compilation of data. The preparation of a public report should be a year-round job.

Physical Make-Up

A very distinct advance is discernible here. The past year the reports all together represent 82 per cent of perfection, while the corresponding figure for both 1928 and 1927 was 78 per cent. The only distressing feature here is the almost total failure to emphasize important facts in the reports. The Cincinnati, Ohio, report was the only one to receive a perfect rating on this point. Report writers apparently overlook the opportunity to furnish the casual reader a résumé of the outstanding features of a report by some sort of emphasis. Surely all the material going into a one-hundred-page report is not of equal importance to the general reader.

Illustrative Material

A slight advance also was made with respect to illustrative material although, on the whole, report writers are overlooking the important part that graphs, charts, and pictures play in recording activities. Only three reports—Cincinnati, Pontiac, and Syracuse—received the top rating in this respect, although, but for a shortage of maps and pictures, Brunswick, Georgia, would have been included. The Brunswick report easily ranks ahead of any other report reviewed with regard to graphs and charts. The twenty reports taken as a whole rated 65.3 per cent while the corresponding figures for 1928 and 1927 were 58 and 62 per cent respectively.

Composition

By far the most noteworthy improvement was made on the items under this heading. Here the rating was 72½ per cent in comparison with figures for 1928 and 1927 of 66 and 64 respectively. The one disturbing element was that of length of the reports. In 1927 the average length was 90 pages; in 1928, 78 pages; and the past year the average climbed back up to 90 pages again. It should be noted, however, that one report contained 305 pages and this, of course, ruined any chance of a favorable average. Five, or one-fourth of the total number, contained in excess of 100 pages while six reports kept under the maximum of 50 pages necessary for a perfect rating. Surely report writers are optimists of a high rank when they prepare a report of 100 pages or more and expect it to compete with such news media as the paper and the radio.

CONCLUSION

A study of the ratings of the reports for the past three years affords some basis of comparison. Allowance should be made, of course, for the small number of reports reviewed and yet it can be assumed that the sampling has been fairly representative. The average rating in 1927 was 65; in 1928, 66; while the reports reviewed in 1929 averaged 72. It appears therefore, on the basis of these figures at least, that public reporting is undergoing an improvement. It should be borne in mind, however, that this is only relative. Public reporting is still in an embryonic stage.

RECENT BOOKS REVIEWED

Public Budgeting. A Discussion of Budgetary Practice in the National, State and Local Governments of the United States. By A. E. Buck, National Institute of Public Administration. New York and London: Harper and Brothers, 1929. x, 612 pp.

The great advance made in the United States during the past twenty-five years in the application of improved methods in the field of public administration is one of the encouraging signs of the times. When we begin to feel disillusioned about the possibilities of democracies attaining administrative efficiency, we can ofttimes revive our hope and improve our perspective by taking stock of the progress we have made.

The present volume is a well-executed attempt to take stock of the budgetary situation, as it exists today, in the national, state, and local governments of the United States. Mr. Buck's analysis is essentially constructive. He summarizes; but at the same time he evaluates. The volume likewise combines the theoretical and practical aspects of the subject, since it is truly "a manual for the administrator and the technician who are actually engaged in the preparation of the budget."

The author handles with extraordinary thoroughness all phases of public budgeting. In Part I we have a clarifying discussion of the general aspects of public budgeting, the emphasis here being placed upon the development of the budget system and the legal basis of budgetary practice. With respect to the allocation of authority over budgetary matters, the author approves the present trend which is to place control over the formulation and execution of the budget in the hands of the executive, while assigning to the legislature without restriction the rôle of determining the budget and exercising an independent check on its execution.

Part II is concerned with budgetary forms and information. The author here delves into the minutiæ of the budget data. This section is replete with illustrative materials in the way of schedules, forms, and tabulations that demonstrate the author's ideas on the arrangement of budget bills, the appropriate schedules for standard income and expenditure classifications, and adequate budget estimate forms. One of the serious weaknesses of many of our present budgets is their lack of comprehensiveness. For example, special assessments, public service enterprises, and independent administrative agencies are frequently treated very inadequately or omitted altogether. Mr. Buck not only emphasizes that the budget must be comprehensive, but he also outlines valuable suggestions that should be a guide to budget authorities in the handling of these vexatious problems. In handling the financial requirements of public service enterprises with respect to the general budget of the government, he believes that they should be included in the general budget of the government, but only in net amount, showing each enterprise as a separate self-supporting unit of the government.

Part III, which discusses the budget-making procedure, considers in turn the budget-making authority and its staff agency, the preparation of the budget estimates, the review and revision of the budget estimates, framing the budget document, legislative consideration and action on the budget.

Part IV deals with the execution of the budget. Hitherto this phase of the subject has been much neglected both by the practical administrators and by the writers of budget literature. After a consideration of the problem of general organization in its relation to budget administration, this section presents an outline of the financial devices and methods which are essential to the execution of the budget. Mr. Buck is inclined to favor the pre-audit of expenditures by administrative authorities under the executive as essential to good budget control, although he admits that some experts oppose the pre-audit plan. The comments on the General Accounting Office of the national government are timely and significant. "While the work of the General Accounting Office seems to be definitely laid out with reference to the detailed control of expenditures and the supervision of the central accounting system, we believe that this development is, on the whole, moving in the wrong direction and that experience will ultimately support our conclusion. We think that the functions of the comptroller general, aside from the approval of treasury receipts and issues, should be strictly limited to auditing the accounts by the postaudit method, that the general accounts should be kept by the treasury department under the direction of the president, that such subsidiary accounts as are necessary in the departments and establishments should be kept by officers directly responsible to the secretary of the treasury, and that such disbursing officers as are required in the departments, establishments or field services, should also be directly responsible to the secretary of the treasury" (p. 562). Mr. Buck takes vigorous exception to the views of Mr. W. F. Willoughby, who is one of the chief supporters of the comptroller general's present position.

Mr. Buck's treatise is without a doubt one of the outstanding contributions of 1929 in the field of public administration and more particularly of government finance. Freedom from involved technical verbiage combined with a clear and readable style distinguish the volume. It is also exemplary as a functional study for the reason that the author maintains a good balance and proper proportion in his references to governments of the several levels — that is, national, state, and local. This volume should give new emphasis and direction to the public budget movement in the United States.

MARTIN L. FAUST.

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HIGHWAY CONSTRUCTION ADMINISTRATION AND FINANCE. By E. W. James. Washington, D. C.: Highway Education Board. 140 pp.

Apparently this pamphlet is intended for highway engineers and administrators rather than for the general public. It consists of a series of articles originally published in a foreign technical journal, consequently its discussions contain more engineering detail than the lay reader requires. However, there is much of profit in it for the man whose only contact with road building is as a user of roads and as a taxpayer. From it he would get an insight into the task of highway construction and learn the features of a properly conceived road-building program. If he were inspired to support Mr. James' contention that "sound economical, financial, and technical principles should prevail over the exigencies of transitory political conditions," a great work would be accomplished.

A road builder will obtain from the pamphlet a broad conception of the planning of a national highway system. He will also find good practical information on modern developments in the construction and maintenance of the principal types of roads. A chapter on cost reports for field engineering contains the sole discussion of general administration, but it deals very well with an important phase of the subject. Only one chapter is given to finance and this discusses the financing of a national highway system, but it presents briefly the sources of funds for road work and their allocation to national, state, and local construction.

Emphasis is placed on the importance of planning and particularly on the planning of construction so that early work may be a part of, and be utilized in, subsequent construction. It is pointed out that any highway expenditure to be justified must be earned by the road in the form of cheaper transportation and that, during its life, a highway must pay for itself, otherwise it will be a luxury.

The articles are preceded by an introduction written by Mr. Thomas H. MacDonald, chief of the Federal Bureau of Public Roads. He reviews highway development in its broad national aspects. Both the introduction and the remainder of the pamphlet are notably well illustrated. By a clever treatment of actual photographs, the various road types are shown as they appear to the traveller over them and as they would appear if cross-sectioned to display their construction.

C. A. HOWLAND.

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BUSINESS ADMINISTRATION OF PUBLIC SCHOOLS. By Harry P. Smith. Yonkers, N. Y.; World Book Co., 1929. 432 pp.

A book worthy of a place on the desk of school administration officers charged with executive functions. Practically every phase of business administration is briefly treated. A more comprehensive treatment would be impossible within one volume of this size. Such topics as the nature and organization of the board of education, the work of the board of education, unit versus multiple control, are briefly treated. An adequate conception of current opinion regarding these topics must be sought elsewhere; conclusions as a result of so brief a discussion must necessarily appear dogmatic.

The business administration of schools in action such as budget-making, school accounting, payroll accounting, operation and maintenance of plant, insurance, supplies, etc., are treated as integral parts of the unit of administration. Depreciation of school buildings is treated at greater length than its relation to other administrative problems would justify.

As a textbook for beginning classes, or as a source book for young administrators, the book is extremely valuable because of the problems suggested and its well-selected bibliography.

Wm. J. Bickett.

Superintendent of Schools,
Trenton, New Jersey.

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Verwaltungsbericht der Stadt Berlin. By the *Statistischen Amt der Stadt Berlin.* Berlin: W. and S. Loewenthal, 1929.

This is a series of quadrennial reports which are issued by the government of the *grossstadt Berlin.* The reports of each quadrennium are divided into twenty-eight volumes, of which the first nine deal with the government and administration of the government of the greater city and the rest with the government and administration of each of the administrative subdivisions (*Verwaltungsbezirke*) into which the city is divided.

The volumes dealing with the central city contain complete reports of all phases of municipal activity—general administration, taxation and finance, health, welfare, schools and cultural development, streets and planning, labor, transportation, public works, factories, business, and work places. The volume on general administration for the first quadrennium discusses, for example, the legal basis of the government of the present *grossstadt,*[1] the area and population of the present city, the administrative organization—the council of the greater city, the central magistrate, the central *deputationen*, the district councils, and the district administrative boards—and the major functions of each division of the organization, as well as the research and information agencies of the central city government.

The volumes treating the administrative subdivisions of the city are somewhat briefer and more superficial. To take Wedding, for example, which is one of the six districts carved out of the area of Berlin before the expansion of 1920, and in which a considerable portion of the recent trioting and disorder has occurred, we find that it is geographically a small city, containing in 1925 over 350,000 inhabitants, or approximately one-twelfth of the population of Berlin. In the Wedding council there are 19 Independent Social Democrats, 9 Communists, 7 Social Democrats, while the rest of the 63 members are divided between the German People's Party, the German National People's Party, the German Democratic Party, and so on. Wedding elects to the council of the greater city 18 members, divided in about the same proportion as the local council. The volume contains also a review of the performance of the functions which the central magistrate has assigned to the local board and of those which the board performs especially for the central city government. The volumes on the districts generally are contained within fifty or seventy-five pages, while those on general administration frequently reach one hundred and fifty or more.

These reports are largely factual and statistical, and do not at all overlap the work of Brennert and Stein in *Probleme der neuen Stadt Berlin.*[2] There is probably no other city in the world with a system of reporting as complete and exhaustive as Berlin's. The appeal of these volumes is necessarily limited to those interested in the technical phases of municipal government and administration; for those who are so interested here is a wealth of material worthy of any embryonic doctor of philosophy. It is indeed regrettable that the reports should issue most aperiodically; all of the 1920–23 reports are not yet out, while the 1924–27 reports have been appearing from time to time. But even with this in mind, those in this country who prepare municipal reports, as well as those who discourse learnedly on the evaluation of municipal reports, may gain much enlightenment from the city where the cult of the *weldstadt* is a very real religion.

Rowland A. Egger.

Princeton University.

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[1] Berlin was reincorporated in 1920 as a federated city, with a general government for the entire metropolitan area, and twenty administrative districts, or little cities performing the functions of purely local administration.

[2] Reviewed in the National Municipal Review for January, 1929.

JUDICIAL DECISIONS

EDITED BY C. W. TOOKE

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Public Utilities—Power of City to Fix Rates by Contract.—In a far-reaching decision handed down December 2, the Supreme Court by a majority of six to three held that the provision fixing the five-cent fare for the local street railway contained in the one hundred two franchises granted since 1886 was non-contractual in effect, and therefore not binding upon the company (*Railroad Commission of State of California* v. *Los Angeles Railway Corporation*, reported United States Daily, December 3). The majority opinion written by Justice Butler holds that the power to make a binding contract for rates in granting a franchise, like the power to grant an exclusive franchise, must be expressly delegated to a city, and that even if so granted and exercised, such power is impliedly repealed by the establishment of a state commission to regulate public utility rates and the assumption of jurisdiction by the commission, whether it acts finally or otherwise. The statute of 1915, giving the city power to grant franchises and to impose such additional terms and conditions "whether governmental or contractual in character" as in its judgment may be in the public interest, is held not to be such an express grant as to include a power to fix the rates by contract.

It has been recognized by the Supreme Court in numerous cases that, as an exception to the general rule that the agencies of the state may not bargain away its governmental powers, a city under legislative authorization may make a binding contract as to rates with a public utility company, provided the term be definite and not unreasonably long. While it has been held that the delegation of such a power must clearly appear, nowhere has it previously been held that this power must specifically be granted to a municipality. To this extent, the decision of the court marks a new line of advantage to the public utility companies in their campaign to escape the effect of rate agreements. In its conclusion that the establishment of a state commission with power to abrogate contract rates will operate to repeal any valid contract between the municipality and a public utility corporation, if the commission merely takes jurisdiction of the question upon the application of the company, the Court also takes advanced ground.

The dissenting opinion of Justice Brandeis, in which Justice Holmes concurred, and that of Justice Stone demonstrate clearly that the action of the Court is not upheld by the precedents, and point out that its decision does violence to the fundamental principles of the law of contracts. The court ordinarily follows the decisions of the courts of a given state as to the construction of state statutes, but in this instance there was no decision of the California courts defining the powers of the city in this matter. Justice Brandeis urged that in view of the well-accepted principle that the construction of state statutes must turn to a large extent upon the local legislative policy, in the absence of any local judicial construction the case should be remanded to the district court to have the question of power under the California constitution and statutes there determined. The assumption by the court that, as there was no state decision to the contrary, the contractual rate provisions of none of the numerous ordinances were authorized, seems to violate the principles of construction invoked by the Court itself. The citation of authorities in the majority opinion holding that the contract made must clearly show an intention to surrender the legislative supervision over rates, indicates that the Court confused the question of the power to fix rates by contract with the exercise of the power. It would seem that the Court ignored the effect of the California constitution in vesting in the electors of the city the concurrent power to adopt and amend its charter, subject only to the other constitutional provisions and the occupation of the field by general acts of the legislature.

The bearing of this decision upon the existing contest of the city of New York with the subway interests is significant. Had the case been retained in the federal courts, the inevitable result would have been the defeat of the city. Even with a favorable determination by the state courts in construing the statutes and the subway franchise provisions, the attitude of the Court in the Los Angeles case under consideration would indicate that the contentions of the city will fail unless counsel can persuade the majority of the Court that the interests of the public demand that some limit should be placed upon its extension of the doctrine of federal control over local public utilities.

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Home Rule—New York Multiple Dwelling Law Upheld.—The division of powers between the state legislature on the one hand and the cities of the state on the other under constitutional provisions for home rule has been a constant source of litigation almost from the inception of this form of municipal government. The controversy was again presented in a case arising in New York (*Adler* v. *Deegnan*, 251 N. Y. 467, 9 N. E. 705), which involved the validity of the recently enacted Multiple Dwelling Law (N. Y. Laws 1929, c. 713; Cons. Laws, 61-a) under the home rule provision of the state constitution (Article 12).

The direct question involved was whether the Multiple Dwelling Law, which applies to cities having a population of 800,000 inhabitants or more, thereby being restricted in application to the city of New York, violates the home rule provision of the state constitution in so far as it requires the owners of multiple dwellings to light the halls therein.

The Multiple Dwelling Law, which superseded and was the result of the remodeling of the Tenement House Act (Laws 1901, c. 334, as amended by Laws 1902, c. 352), was passed in the manner in which other state legislation is adopted, that is, by a majority vote, and not as an emergency measure by the concurrent vote of two-thirds of the members of each house of the legislature, as would be required by the constitution if the law related "to the property, affairs or government of cities" and was "special or local either in its terms or in its effect" (Article 12, § 2).

The court in effect held that the paramount power of the state legislature to pass such police regulations as it may deem in the public interest is left unimpaired by the home rule amendments, and that any local ordinances in conflict therewith are nullified by such legislative action. This principle of construction is one that has been followed sooner or later in all the so-called home rule states; any other rule applied to the exercise of the police power necessarily would result in disaster. The effect of the home rule amendments, therefore, so far as the exercise of sovereign powers is concerned, is to leave to the state legislature the power gradually to narrow the field of local home rule, as in its judgment from time to time the public interests demand. Whether it be the regulation of the highways or the health and safety of the inhabitants, the scope of the home rule powers must yield to the paramount public interest. The question of when and to what extent the public interest requires such curtailment is for the legislature, and not for the courts, to determine.

The import of this decision, however, goes further; under the decision of the court these powers are not to be considered as "relating to the property, affairs or government of the city" so as to require a two-thirds vote of the legislature upon an act declared to be an emergency measure. The scope of home rule as broadly expressed in the language of the constitutional amendment is in effect thus cut down by excluding therefrom all local police powers that the legislature may see fit to exercise.

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Municipal Broadcasting Held Subject to Regulation by the Federal Radio Commission.—In a decision handed down November 4 the Court of Appeals of the District of Columbia held that the radio broadcasting station of the city of New York was subject to regulation by the Federal Radio Commission (*City of New York* v. *Federal Radio Commission*, not yet reported). The controversy arose over an order of the commission requiring the station to share its time with another station in New Jersey operating upon the same wave length.

The attorneys for the city maintained that the operation of the station was a governmental function and therefore immune from federal control. The court, however, said that the function is proprietary in character; and furthermore, that whether proprietary or governmental in character, broadcasting is engaging in interstate commerce, and therefore subject to federal control. The latter point has already been decided in the few cases in which the question has been raised, and disposes of the point in issue in the instant case.

Whenever the federal government is given exclusive control over such an activity as interstate commerce, the acts of Congress must necessarily prevail over any attempt by the state to exercise any governmental control. It is fortunate that Congress assumed control over the radio, before the states attempted to exercise any jurisdiction. Difficulties were thus avoided similar to those which have arisen by reason of the efforts of the states to regulate the use of highways for commercial purposes. The decision in the instant case seems not only sound, but inevitable, and one that will be affirmed by the Supreme Court, should the question be carried to that tribunal.

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Streets and Highways—Power to Pave Includes Power to Construct Necessary Storm Sewers.—In *Ashcom* v. *Borough of Westmount*, decided by the Supreme Court of Pennsylvania November 25, 1929, the court affirmed the power to construct storm sewers as incidental to the power to pave streets and to assess the cost against the property benefited. The action was in equity to enjoin the borough from collecting the cost of storm sewers, and set up a lack of power in the municipality as the primary ground for relief. In reversing a decree of the lower court restraining such collection, the court points out that from *Schenley* v. *Commonwealth*, 36 Pa. 29, down to *Deer* v. *Sheraden Borough*, 220 Pa. 307, the Pennsylvania courts have held that the power to pave and to make special assessments therefor includes the power to do whatever is essential for the proper execution of the work, including regrading, curbing, and the construction of necessary works to take care of surplus waters.

It may be noted that the precise basis given by the lower court for its decree was that the construction of the sewers was not expressly included by the enabling ordinance authorizing the pavements. The supreme court states, however, that the ordinance authorized the construction of the pavements in accordance with certain plans and specifications which provided for the storm sewers in question. Under these facts the court concludes that the ratifying ordinances specifically mentioning storm sewers were unnecessary and that the assessments were properly authorized both by statute and by ordinance.

(The full opinion in this case was published in the *United States Daily* of November 30, 1929.)

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Streets and Highways—Abutting Owner's Right to Oil and Gas Under Street.—A recent decision by the Court of Civil Appeals of Texas points out the importance of certain rights in a street or highway, the fee of which is owned by the abutting owner. The right of the owner of property adjoining a street to access, light, air, view, and lateral support exists whether the fee of the street is in him or in the public. But the ownership of the fee of the highway by the abutting owner carries with it certain important rights which otherwise would not accrue to him. Generally, he must be compensated for any use of the streets that is not included within the public easement to use the street for purposes of travel. Not the least of the rights retained with the fee is that to the subsurface not required for strictly street purposes.

In *Town of Refugio* v. *Straugh*, 20 S. W. (2d) 326, Straugh and another acquired lands from the town, described as abutting on certain streets which had been duly laid out and dedicated, but never improved, by the town. The town leased these street lands with the right to the lessees to drill for oil and gas. The Texas statutes (1267 R. S. 1925), while giving cities and towns the right to lease their oil and mineral lands, forbid the leasing of land in the streets for drilling or mining purposes. The court held that the status of the land as a street was not affected by non-use or a failure to fence it off or to improve it. Under the statute this finding would have been sufficient to sustain the judgment of the court. But the court further held that the conveyance of the abutting property as bounded by a street carried the fee to the center of the highway, and that therefore the oil and mineral rights were in the abutting owners, and that they were entitled to a decree enjoining the town or its lessees from continuing their drilling operations.

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Zoning—Continuing Use—New Jersey Statute not Retrospective.—In *Durkin Lumber Co.* v. *Fitzsimmons*, 147 Atl. 555, the Court of Errors and Appeals of New Jersey unanimously reversed the judgment of the supreme court of that state (143 Atl. 816) affirming a conviction of the appellant for violation of a provision of the zoning ordinance of the town of Belleville. The appellant's property lies partly in the town of Bloomfield, which portion is zoned for industries, and partly in the town of Belleville, which by ordinance excluded the use of that portion for the same purpose. The property is one solid tract, and the Belleville portion is used for the storage of lumber incidental to the business operated from the buildings on the Bloomfield side. The use was established subsequent to the enactment of the ordinance, but prior to the enactment of the general zoning enabling act approved April 3, 1928.

The court holds that the ordinance when passed, so far as it relates to the use of the property in question, is unconstitutional, under the authority of *Ignaciunas* v. *Nutley* (99 N. J. L. 389, 125 Atl. 121), in that the prohibition of the use of this property as used by the appellant is not "designed to promote the public health, safety and general welfare." The constitutional amendment of 1927 was not self-executing and the general statute of April 3, 1928 (Chap. 274, Laws of 1928) did not have any retroactive effect. The statute clearly preserves the right to continue a non-conforming use lawful at its inception. But the respondents claimed that the provision of the statute that all ordinances previously passed should continue in effect "as if they had been adopted under the provisions of this Act" rendered the ordinance in question valid from the time of its inception. The court refused to take this view, and denied that the statute did more than to put into effect such existing ordinances, previously invalid, as of the date of the statute.

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Streets and Highways—Liability of Municipality for Change of Grade of State Highway.—In *Maguire* v. *Village of Crosby*, 226 N. W. 398, and *Foss* v. *City of Montevideo*, 227 N. W. 357, the Supreme Court of Minnesota holds that, under the statutes of that state requiring the approval by the local authorities of the plans for the construction by the state highway commissioners of a trunk highway on a village or city street, the municipality becomes liable to abutting owners whose property is damaged by the change of grade to which the local authorities have consented. Under the constitution of Minnesota, a change of a street grade which damages private property cannot be made without compensation first paid or assured. The duty of control and care of the streets is laid primarily upon the municipalities, even of highways constructed within their limits by the state. The wrong, therefore, lies in damaging the property without first making provision for compensation. The statute gives to the municipality the power of approval, which it may so exercise as to save itself from liability.

Of course, without this element of control over the plans or program of the work, the municipality would not be held liable for the acts of state authorities. For this reason the city of New York is held not liable on tort for damages arising from the construction of the subways, the control of which work is vested exclusively in a state commission. A New York case illustrating liability imposed by statute independently of the presence or absence of control by the municipality over the work of changing the grade of streets is *McMullen* v. *Village of Marlborough*, 163 App. Div. 73. The New York statute changes the common law immunity from liability in such cases and imposes upon the municipality liability to respond in damages to the abutting owner, whenever the improvement is lawfully made by the constituted authorities whether the act is that of the municipality or not.

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Streets and Highways—Abutter's Right to Continuation of Sidewalk.—The Court of Chancery of New Jersey has recently held that the abutting owner has no remedy in equity against the action of a municipality in cutting down the area of the sidewalk along the side of his property (*E. M. Harrison Market* v. *Town of Montclair*, 147 Atl. 502). In laying out in 1924 a new street connecting the street upon which complainant's property abutted with a parallel street in the rear, the town was unable to acquire sufficient land to make the street of the desired width of eighty-eight feet. It therefore seemed necessary to limit the roadbed so as to leave some seven and one-half feet for sidewalk on complainant's side. In 1927, to meet the demands of vehicular traffic, an ordinance was passed to widen the roadbed to conform with its width in that part of the street to the rear of complainant's property by cutting down the sidewalk area on that side to eighteen inches. Complainant sought to restrain the carrying out of this plan on the ground that it would result in the taking of his property without just compensation and would result in irreparable injury.

In refusing to grant the injunction, the court finds that the sidewalk was not used by the complainant as a means of access to his building, but only for the accommodation of the public in general, and that if the complainant is entitled to damages his remedy is in a court of law. The complainant's situation in this case was quite unusual, and the opinion of Vice-Chancellor Backes holds that, under the facts of the case, he had not acquired any vested right in the maintenance of the sidewalk as originally laid out. Had the street become necessary for access to complainant's property by user over a long period, he might be entitled to substantial damages, but the court intimates that the control of the local authorities over the use to be made of the street is paramount under the statutes, and that equity will not interfere to control their discretion.

In this connection, we may refer to a note in our November issue commenting on the case of *Franklin* v. *City of Atlanta*, 149 S. E. 326, in which the Supreme Court of Georgia held that the abutting owner had a vested right in the continuance of a sidewalk in front of his premises and was entitled to damages for its removal.

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Special Assessments—Direct Liability of Municipality.—In *Grand Lodge, A. O. U. W.* v. *City of Bottineau*, 227 N. W. 363, the Supreme Court of North Dakota holds that the failure of the city to have property sold for delinquent special assessments struck off to it in the absence of other bidders is negligence under the statute and renders the city liable in damages for the amount due under the warrants. In this case the warrants were drawn against the special fund to be created by the assessment of special taxes and provided against the personal liability of the city. The court therefore squarely holds that notwithstanding such provisions, the city will be liable for the amount due on the warrants if it neglects to comply with any of the requirements of the statute which authorizes the improvement.

The opinion of Judge Englert is especially valuable for its review of the authorities on this subject. For a discussion of this question at some length, the reader may be referred to the notes in this department in the April, 1928, number of this REVIEW.

PUBLIC UTILITIES

EDITED BY JOHN BAUER

Director, American Public Utilities Bureau

WHAT PRICE PUBLIC UTILITY SPECULATION?

Following the stock market debacle, the collapse of some twenty billions of artificial values, we cannot resist the opportunity—so far as public utilities are concerned—to say, "I told you so," and, of course, to tell it again.

If there is anything that we have sought to stress in this department, and have used almost throughout in our discussions as *leit motif*, it is the objection to all inherent speculative factors in public utility rates and financing.

We have belabored this topic, directly or indirectly, not only from the standpoint of the users of service, but also of investors, whose status as investors determines the ability of the utilities to furnish facilities and adequate service at reasonable rates. We have incessantly driven the fact that speculation has no place in public utility organization, operation and financing.

We have been told on what is probably good authority, that about 40 per cent of the security crashes have been among public utilities. We have not attempted to check this percentage, but are inclined to believe that it is substantially accurate. The situation would not be essentially different if it were 30 per cent or 50 per cent. The fact is that among the conspicuous "skyscrapers" have been the public utility stocks, or public utility holding companies, or public utility investment trusts.

Not all stocks had reached the blue azures. There had been considerable selection, or, at least, variation as between stocks which had been carried to the skies, and others which had not been so favored.

THE "SELECTED" MARKET

Among stocks "favorably selected" and viewed with special "investment" approval had been the public utilities, particularly electric, whether in the form of direct utility, holding company, or investment trust. But why were these among the selected groups? What were the basic conditions of the electric industry that produced the ever-rising market values? What particularly attracted the investors' or speculators' attention upon these groups as against others, which, fortunately, escaped the market's selection touch.

The answer, we submit, appears partly in the enormous technological advances that have taken place progressively during the past decade, or, for that matter, during the past twenty-five or forty years. This has placed the industry in position to compete favorably for all kinds of power and commercial uses, and to increase the volume of business. Nevertheless the old level of high rates for domestic uses has been continued for the most part. Rate schedules have been modified to stimulate consumption in uses where lower rates would effect greater consumption, but high rates where there would be no such promotional effect have been retained. Domestic rates have not been reduced to a level consistent with other rates, or in proportion to the decline in unit costs of rendering service.

As a consequence the gross revenues of many electric companies have increased by leaps and bounds. Operating expenses, of course, have increased also, but not in proportion to the volume of business and gross receipts. The margin of net earnings has advanced steadily and rapidly, because rates were not reduced with the increase in volume of business and decrease in unit costs of service. The progressive improvements have gone virtually in their entirety to the benefit of the utilities. There has thus been increasing earning power, because of growth of business, declining unit costs, and failure to adjust rates in accordance with these changes.

PYRAMIDING OF EARNINGS

Under these circumstances, naturally, the market prices of electric stocks would rise. This would be accentuated by the fact that most of the companies have built up their properties largely through the issuance of bonds and preferred stocks. To the extent of at least two-thirds of the total investment, the securities have been limited to fixed annual interest or dividends. Hence, the steadily increasing earning power has been absorbed wholly by the common stock, which thus represented in most instances not over a third of the total investment. This means of course, three times greater increase in the earning power of the common stock, compared with the total net earnings on the properties as a whole.

There has, thus, been a sharp pyramiding of net earnings in the direct financial structure of the ordinary company. But this is only the first step in the pyramiding process.

Operating companies have been brought under control of a holding company, which, in the normal instance, acquired the common stock through the issuance of holding company bonds and preferred stock, so that the holding company's common stock represented very little, if any, actual investment in the operating properties. As a third step, the common stock of the holding company was then acquired by a far-flung holding company system; a holding company of holding companies. Again the stocks were acquired by the issuance of bonds and preferred stocks of the third series of companies, while the common stock was retained by the organizing and financing geniuses. In some cases there have been still higher series of successive structures, also affiliated management, construction and financing companies. And on top of these pyramids, and flung in between, are the investment trusts, which have dealt largely in equities built up through the pyramiding of net earnings.

As to underlying production and demand, the industry not only had been marching forward with rapid strides, but it will continue moving forward for an indefinite period to come—and upon solid ground. The financial structures, therefore, have appeared enticing. The growing earning power of the operating companies, and the ever greater prospective earning power, have gone to support the pyramided stocks. The prospects were capitalized into market values, augmented by exaggerated expectations, and concentrated in the top layers of common stock.

PROMOTING SPECULATION

This corporate set-up, of course, promotes speculation to the extreme, and produces the greatest financial instability. A moderate increase in net earnings on the entire operating property, produces a great increase for the ultimate common stock held by the public, and, inevitably, results in proportionately higher market prices. This process is affected not only by actual earnings, but also by expectations—which are psychological and intangible, subject to stimulation and imagination. This, in general, pictures the situation before the break in the market.

But pyramiding works downward as well as upward. When there is a moderate decline in net earnings, or reduced expectations, the effect is cumulative upon the ultimate common stock. Just as the psychological factors produce excessive upward swings, they bring about precipitate drops. The rises and declines are extreme because of the financial structures.

The upward movement, based upon ever-increasing earnings, had continued so long that it affected the financial judgments of usually conservative investment houses and banks. Financial experts, dealing with electric securities, developed the feeling that there was no top, and that values would continue ever upward and higher. They did not keep in mind the fact that the companies really are public utilities, are subject to rate control, and are, thus, limited in earning power, apart from technological developments and growth of business. Unfortunately, indeed, few of the financial groups who have marketed the securities understood the background of rate control and the interrelation of earning power to reasonable rates limited by public authority.

DISREGARDING RATE CONTROL

Here is the fundamental difference between an electric company and an ordinary business. The latter may charge at any time whatever it can under market conditions, but an electric company furnishing a public service is subject to rate control, and is legally entitled to charge only such rates as will bring in the aggregate a fair return on the fair value of the properties. Hence, with the progressive developments in the industry, with the decline in unit costs and increase in volume of business, the company is ordered to reduce rates, subject to a fair return on the properties. But the existence of rate control has been almost wholly disregarded by promoters, bankers, investors and speculators. The industry has been treated virtually as if it were entirely a free agent.

The ineffectiveness of rate control has been largely responsible, in our opinion, for the speculative condition in the industry. The returns to which the companies have been entitled, have not been clearly defined and properly provided for. The limitations upon earnings have not been definitely fixed and applied. Hence, the growth of net earnings under existing rates, has, naturally, been capitalized into stock values, although, under the law, the basis of these values might be removed at any time through public revision of rates. That the high domestic rates which have prevailed can continue indefinitely for the future was highly improbable, and yet the earning power of the companies was capitalized in the pyramided stock values substantially upon such expectations. The partial realization of this fact by the investing public, and perhaps business, has doubtless been one of the causes of the collapse of public utility stocks, especially of holding companies and investment trusts.

SEE HOW IT'S DONE

We have in mind a particular case, which is extreme even among many extreme instances, but illustrates excellently the speculative status of electric utility stocks. This particular company is serving a large territory with a rapidly increasing population, and has enjoyed a rapid growth in volume of business. Its net earnings have increased correspondingly; its rates have been reduced but slightly; and its capitalization has been so adjusted as to convey the increased earnings to a small proportion of the actual investors.

This company, in the usual manner, had financed the construction of its properties mostly through the issuance of bonds and fixed-return securities. It had outstanding, originally, common stock of $100 par value per share, representing, presumably, an actual *pro rata* capital investment. This stock has been split up successively into non-par value stock, so that now there are outstanding one hundred shares for each original share of $100. The actual investment of the present stock is one dollar per share, instead of the original $100 per share.

In 1928 this company earned, above operating expenses, taxes and all fixed charges, about 60 cents per share on the capital stock outstanding. This was, indeed, a liberal return, 60 per cent on the stock itself, and about 16 per cent return upon the entire property, most of which had been constructed under high prices prevailing since 1916. The earnings had been increasing so rapidly that the company had reached a point where radical rate reductions would naturally be expected and ultimately put into effect, despite an inefficient system of rate control. Notwithstanding this limit to further increased earning power, the market value of the stock reached the point of $75 per share. To sustain this value, even on a 6 per cent basis, would have required net earnings of $4.50 per share, as against the 60 cents actually earned in 1928, when the rate of return on its stated investment was already over 16 per cent, and when vigorous demands for rate reductions had been started.

In the name of common sense, how could bankers or investors who had any intelligent grasp of public utility finances and rate control look upon a $75 market price without a shudder! Yet, in this instance, it was seriously proposed to take a large part of the capital stock into a special holding company, or financing company, and then to execute financial operations on the basis of the market price as stated. As the first step, the so-called "capital corporation" was to issue its own non-par common stock, share for share, for the common stock of the electric company—no harm, particularly, in that! But, watch the next step proposed for the regular financing of the electric company, which will need many millions of additional capital within the next ten years!

HOW TO RAISE CAPITAL

The proposal was to issue bonds or other senior securities of the capital corporation, based upon the common stock of the electric company as collateral. The funds thus obtained would be turned over to the electric company for its common stock at the prevailing market price. For $10,000,000 of its own bonds, issued, say, at 6 per cent, it would thus receive 133,333⅓ shares of the electric company's stock at $75 per share.

The returns received from this stock at 60 cents per share, would be $80,000 a year, as against $600,000 interest payable on the $10,000,000 bonds sold to the public. This is an aggregate discrepancy of $520,000 a year between outgo and income for the capital corporation—a net loss of $3.90 per year on each share of the electric company's stock acquired! To maintain intact the proposed financial structure of the new company, would have required not only the continuance of the existing high rates charged to domestic customers, but also an enormous increase in rate base, and higher rates predicated upon this rate base to support the new bonds which were to be given public flotation.

The whole plan is manifestly absurd as a financial proposition. It could not have been both honestly and intelligently conceived. And yet it was seriously supported not only by the principal owners of the electric company's stock, but by a respectable financial house; and, for a time at least, the utility commission seemed likely to give its approval on the basis and for the purposes as outlined.

IS IT STUPIDITY?

The absurdity of the particular instance stands out so glaringly that its accuracy might be challenged—but the facts are known personally to the writer. It is an extreme instance, but it illustrates, nevertheless, the general situation that prevailed. No limits to earning power were conceived. The preposterous was accepted as conservative judgment. We do not imagine for a moment that all the people connected with the particular instance were corrupt, yet the inevitable consequences would have pointed strongly in that direction. The plan would have enabled the inside owners of the electric company's stock to unload their holdings upon the public at $75 per share—as against an actual investment of $1.00 per share. The actual contributors of new capital, *i.e.*, the bondholders of the capital corporation, would ultimately have found themselves with the bonds of a hopelessly bankrupt corporation. Nothing else would have been possible!

The basic fault in this situation was the lack of clear understanding of the underlying character of the utility, with its legal limitations upon earnings and its public obligations. Regulation was looked upon not as definite limitation upon earning power, but as a special instrument for protecting the industry as against competition and thus safeguarding the ever-mounting earning power.

"COME ON" INVESTORS

We have on our desk a rather typical pamphlet issued by a well-known investment house. It pictures the alluring advantages of consolidation; it plays up the monopoly feature of utilities and the protection by the commissions of the monopoly—with the plain inference that the savings of consolidation will be huge, and will go wholly to the fortunate holders of the ultimate stocks! Not a word about rate control and public limitation upon earning power. A simple table showing the profits realized in other mergers by those who had had foresight constituted a powerful appeal. Just look: a rise from $1 to $240 per share, an increase of 23,900 per cent; from $6 to $610, an increase of 10,066 per cent; from $1 to $57, or 5,600 per cent; from $17.50 to $276, or 1,477 per cent; from $39 to $575, or 1,137 per cent! So, after all, the advance from $1 to $75 above described may not have involved any culpable motives—only buoyant expectations based upon consolidations, future growth of business, monopoly, and protection by the commission—with little or no consideration of limitations upon rates and earning power!

We come, therefore, to our point, that such financial extravaganzas as have taken place should be impossible in the electric field, or any public utility. All speculative features in public utility financial operations should be removed; there should be no uncertainty as to net earnings to which a company is entitled and which it may receive under regulation. Our proposal has been, and is, that the rights of the investors should be accurately defined by statute, and should be definitely provided for through systematic rate control. The rate base should be shown by the accounts of the company, and rates should be promptly increased or decreased according to the returns to which the company is entitled, with provisions for rate equalization from year to year to take up unexpected variations in costs and volume of business.

MUNICIPAL ACTIVITIES ABROAD

EDITED BY W. E. MOSHER

Director, School of Citizenship and Public Affairs, Syracuse University

Regional Government.—The winning essay in the Haldane Essay Competition for 1929 is entitled "Regional Government, or the Next Step in Public Administration." In the judgment of the author, Mr. Edgar Ashby, one of the most important currents in the development of public administration flows in the direction of the deliberate adoption of a larger unit for administration. By way of introduction he points to the development of transport facilities and housing schemes on town planning lines and the "rationalization" which is going on both in industry and government. Rationalization leads to the elimination of the smaller unit with the reduction of waste and the savings that come through large-scale planning.

Evidences of this movement are to be found in the increased number of joint committees of local authorities for the purpose of setting up more economic unitary areas. Reference is made to the joint committees responsible for the supplying of electricity for the borough, the county or possibly several counties, which are treated as a unit both with regard to generation and distribution. Similar committees are responsible for drainage, hospitals, the administration of poor relief, town planning, valuation for rate-making purposes, tramways, omnibus undertakings, and the like.

The guiding principles suggested for the proposed enlarged unit of administration are four in number: (1) inevitable combination of urban and rural areas; (2) intelligent anticipation of the future needs of the country as a whole with regard to town planning, roads, transport, health, utilities; (3) equalization of local taxes as between areas of different types, for instance, the densely populated industrial townships, the wealthy residential districts and the depopulated countryside; (4) the progressive drainage of the densely populated areas into the rural districts.

In the setting up of new boundaries the underlying ideas are that no purely rural area should remain unattached to some substantial town, that towns should be grouped with reference to intervening country districts, that a considerable margin should be provided on the outskirts of all towns in a zone, and finally that each zone should be controlled by a single authority endowed with broader powers than are now granted even to the larger local units. The primary unit of control would be a local committee elected by universal franchise for areas of a homogeneous character. Such committees would elect in turn regional councils who would be endowed with the power to select candidates of special ability, although not from their own number. The function of the local government would be largely advisory, for the purpose of making representations to the regional council. The regional council itself would be much smaller than the average county-borough council, possibly with a membership of twenty to thirty members. Its actual functions would be carried on through small executive committees, controlling departments charged with administration of the various services of government.

An essential feature of this scheme is that the executive heads of departments should have increased power and a broader right of initiative in administering and directing the services under their control. They would, of course, be expected to report regularly to the council, but would relieve the council of many of the duties which the present organization imposes upon it.

It is believed that it is possible to reduce the number of departments through a re-grouping of the services. The departmental heads suggested by the writer include the following: (1) clerk to the regional council who would act as chief administrative officer, (2) a financial controller, (3) an engineer and surveyor, (4) a police commissioner, (5) a director of health services who would not necessarily be a medical man, (6) a director of trading enterprises who would be the managing director of the council of commercial activities. Anticipating the cry of bureaucracy that this proposal would surely bring in its trail, the author points to the successful operation of the services of the state in the control of permanent officials. In spite of the criticism of this method of administration its success in the state services, together with the speed with which policies are carried out, seemed to him to be a convincing argument under this head.

The benefits that are to be derived from central organization are the following: financial, town planning, correction of the drift from the countryside to the town, passenger transportation, a thorough redistribution of seats for the parliamentary franchise.

1. Under financial benefits, reference is made to the unequal distribution of the burden of rates. In spite of the proposed reduction in the valuation placed upon agriculture it appears to the writer that a proper distribution calls for a social union between the populated and the sparsely populated areas. The broader the basis the more likely the chance is that an equity of distribution will be obtained. Another argument for the larger area is the tendency of business men who have acquired their wealth in industrial towns to live in a small borough outside the boundaries of that town. Enjoying all the advantages of the town they pay lower rates and contribute little or nothing toward the burden of the various services of the center. It seems to him further that if the areas occupied by working-class dwellings were combined with more prosperous areas, the situation would be much more equitable.

2. Town planning. Here the question of the construction of arterial roads is cited as of special importance, calling for action in regional terms. The development of playfields and open spaces would be facilitated by the arrangement proposed.

3. Correction of the drift to the town. The argument advanced under this heading is that the "ventilation" of the populated areas and the re-peopling of the agricultural areas are of a mutually corrective nature. With the development of small holdings, a comprehensive system of good roads, the provision for cheap electricity for light and power, transport services for both passengers and freight, possible provision for municipally owned movies and dance halls, would make the outlying regions much more attractive. This plan also involves the location of industrial undertakings in open spaces and the construction of new housing centers more removed from the already congested urban units.

4. Passenger transport. It is pointed out that unsatisfactory conditions have developed with regard to passenger transportation on account of the rights of municipalities arbitrarily to set up limitations on bus systems by the licensing method. More satisfactory arrangements with the railroads might also be made if the railroad companies had to deal with the regional councils rather than with governmental authorities operating in a limited scope.

5. Parliamentary franchise. The present apportionment of seats in parliament brings with it a considerable number of inequalities that might be greatly reduced if representation were on the basis of larger population units.

In conclusion the author indicates that the regional government developed along the suggested lines would be of marked benefit to other types of services as well. By way of illustration he refers to hospital services, the care of mental defectives, higher education, and police and fire brigades.

The most interesting feature of this paper is the clear-cut proposal that the organ of administration should be clothed with authority to adjust itself to the enlarged units of economic and social intercourse.—*Journal of Public Administration*, October, 1929.

✤

Municipal Treatment of Rheumatism.—The borough of Kensington has inaugurated in the board of the public health work, a policy of supervising children under the age of sixteen who are afflicted with rheumatism. Notification of acute cases was made mandatory on August 1, 1927. According to the records, it appears that acute rheumatism occurs in children under sixteen years of age two and one-half times more frequently than tuberculosis. This is considered a conservative estimate.

The keystone in the structure in the experiment in Kensington is the supervisory center. Here diagnosis is performed, records are kept, and a close contact maintained between the home visitor and the physician in charge of the case. Notification is obviously but the first step in the direction toward feeding the material to the centers. So far as conclusions from the experiment thus far are drawn, there appears to be no single environment that stands out as an invariable associate of juvenile rheumatism. In other words the relationship of dampness, lighting, ventilation conditions and cleanliness with rheumatic tendencies has not been established. Generally speaking, however, it does appear that there is a causal relationship which ordinarily accompanies poverty—namely, overcrowding, deterioration of the home, housing conditions and the difficulty of obtaining the necessities of life.—*Local Government News*, November, 1929.

Engineer Reports Comparative Costs.—S. G. Stanton, the borough engineer of Southampton, has presented a report for his corporation for the twelve months ending March 31, 1929, certain features of which may prove to be of interest to the readers of the NATIONAL MUNICIPAL REVIEW, particularly the record of unit costs. For instance, 66 miles of road were treated with hot spray at the cost of £15,000, with an average cost of 4.8d. per yard or £232 per mile of road.

One hundred and fifty miles of street were cleaned; of this total mileage 15 were cleaned daily, 15 three times a week, 54 twice weekly and 70 miles once a week. A comparison is then set up with regard to the cost of street cleansing on a basis of each 1,000 of population in Southampton. The average amounted to £89.13 for the year. A list of other cities with the cost computed on the same basis is included in the report.

With regard to the removal of refuse, the number of houses is given together with the total amount collected. On the basis of a 365-day year, this amounted to 5.38 cwt. per capita. The collection cost was 5s. 8d. per capita and disposal cost 4s. 1.7d. Here again the method of computing cost on the basis of 1,000 population is applied. This appears to the engineer to be a sounder method of comparison. The average was £78 5s. 3d. for collection and £55 13s. 3d. for disposal.

Cost figures are also reported on the operation of steam wagons, steam rollers, lorries, etc. Interest and sinking fund charges are not included in these computations which are worked out with reference to costs per day.

The engineer's report also takes into account the number of houses completed under the city control in 1928; these total 836, while 492 were in the course of construction in 1929. The number of dwellings either previously constructed or now in the process of construction total 3,615.

It should be noted that more and more data are being currently reported by municipalities and other public agents which make it possible to make comparisons between similar agencies for similar services.—*Municipal Journal and Public Works Engineer*, November 15, 1929.

✣

Electricity Supply Accounting.—Because of the new financial relations established between municipalities and generating companies in England under the Central Electricity Board, the accounting procedure has necessarily been thoroughly revised. This revision consists in adding to the subjective analysis of expenditures previously required under the system installed by the Board of Trade, a more objective method of accounting in which a costing scheme is involved covering both the features of generation and distribution.

In regard to disbursements under the head of management, for example, more or less arbitrary apportionments are called for and agreed upon between the responsible agencies. On account of the difference in the functions of various authorities, a *uniform* percentage covering the allocation of overhead does not seem possible, but an allocation on a percentage basis is required.

Although capital outlays have always been separated as between generation and distribution, the new system calls for the separation of interest, debt redemption, dividends and depreciation as between the major functions.

Where municipal undertakings have redeemed the debt on the station plant and the life of the plant has exceeded the period of debt redemption, no charges on this score will appear on the accounts. With regard to land, this relief will be permanent.—*Municipal Journal and Public Works Engineer*, November 8, 1929.

✣

The Diploma in Public Administration.—The first examination for the diploma in public administration given under the auspices of the University of London has just been held for five participants, two of whom came from departments of the central government and three from the local government service.

The syllabus covered not alone the science and machinery of public administration but also its social and economic implications. The following nine subjects are included: (1) Public administration, central and local; (2) economics, including public finance; (3) social and political theory; (4) English constitutional law; (5) English economic and social history since 1760; (6) the constitutional history of Great Britain since 1783; (7) statistics; (8) the history and principles of local government, and (9) social administration.

The total number of subjects required is six; the first three in the above series being compulsory, and the choice of three more being left to the candidate.

A. L. Peacock, juvenile employment officer, writes enthusiastically of the value of the course of study, stressing particularly that he acquired a wider outlook, a new sense of relationship as between his own work and that of the other departments, and a more scientific approach to his daily problems. This has served as a means of counteracting the inevitable influence of being tied to a single, more or less routine task. It has given him an appreciation of what the local government is doing toward serving the *whole* of the community. He summarizes his experience as one which has contributed to a revitalization of ideas and interests and the re-orientation of the day's work.—*Local Government News*, November, 1929.

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German Municipal Policies Since the War.—Dr. Benecke, in charge of the publicity of the German Municipal League, has summarized in a comprehensive way the activities and advances made by the German communes in the post-war years. He places at the head of the list the social, economic and cultural tasks that have been undertaken. With reference to public welfare, he points out that there has been a complete transformation of organization and policies because in place of the care of individuals, the problem has become the care for families and even for whole communities. According to the statistics for 1927, the contributions in all towns and cities of 10,000 inhabitants or more and in the provinces aggregated not less than 1,191 million reichsmarks. This figure does not include the provisions for productive work that were created in order to supply employment. In addition to the above-named figures, the communes gave 578,000,000 reichsmarks for the construction of dwellings in the same year.

In spite of the widespread protest on the part of private producers against the extension of the economic activities of the towns and cities, there has been a marked increase in this field. Using figures of Dr. Mulert that were cited in the Congress of Municipalities in Seville, it appears that about 94 per cent of the water works and 75 per cent of the gas works in Germany belong to the communes, while 22 per cent of the electric enterprises are in the hands of the communes, 25 per cent in those of the state, while 30 per cent are controlled by an organization in which communal and private interests are merged, and the balance, that is 23 per cent, are private. One hundred and ten of the total number of street railways are communal. Only 35 are in private control. In the matter of air traffic, the communes and the communal groups have contributed 11 per cent of the capital. Looking at Prussia alone, there are 1,500 public savings banks of which 730 are municipal, 250 are run by rural communities and 488 by other public agencies. These banks have set up 6,400 places where money is received from the public. There are about 1,000 slaughter houses in Germany of which only 50 are in the hands of private individuals or groups. In the year 1925, 25 cities had 47 public markets. The communes also own about 2,000,000 hectares of forest lands. A considerable number of bathing resorts are likewise administered by the communes.

The number of beds provided in public hospitals has increased in the years 1913 to 1926 from 178,000 to 304,000, while there has been a decrease among private hospitals of a general character from 110,000 beds to 41,000. Many cities operate public cemeteries and undertaking establishments. There has been a very remarkable growth since the War in opportunities for physical exercise and in public establishments for bathing purposes. Recreation areas and stadia have been built in very extensively.

Finally, considerable attention has been devoted to the advancement of what may be called cultural opportunities under public auspices. This applies to the progress made in connection with the higher schools for girls, with vocational schools of various types and the like. For cultural purposes, the disbursements of the German communes increased almost 90,000,000 reichsmarks over the preceding year. Special consideration has been given to the support of the public theaters.

Considering the financial handicaps under which Germany has been operating since the War, this may be looked upon as a very astounding record.—*Zeitschrift für Kommunalwirtschaft,* October 25, 1929.

GOVERNMENTAL RESEARCH ASSOCIATION NOTES

EDITED BY RUSSELL FORBES

Secretary

Recent Reports of Research Agencies.—The following reports have been received at the central library of the Association since November 1, 1929:

Chicago Bureau of Public Efficiency:
Tax and Bond Propositions to be Voted upon November 5, 1929.
Cincinnati Bureau of Governmental Research:
The Regulation of Minor Highway Privileges in Cincinnati.
The Sinking Fund of the County of Hamilton.
Taxpayers' Association of New Mexico:
Memorandum on Transportation of Pupils.
Bureau of Municipal Research of Philadelphia:
Procedure and Time Required to Authorize Loans of the City of Philadelphia.

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Officers for 1930.—The recent mail referendum of the membership resulted in the election of the following as the executive committee for the year 1930: William C. Beyer, director, Philadelphia Bureau of Municipal Research; John B. Blandford, Jr., director, Cincinnati Bureau of Governmental Research; Harry H. Freeman, director, Buffalo Bureau of Municipal Research; Luther Gulick, director, National Institute of Public Administration; and Lent D. Upson, director, Detroit Bureau of Governmental Research. The ballots were opened and counted by the Proportional Representation League of Philadelphia.

In connection with the annual convention in Chicago, the executive committee met on November 12 and elected the following officers for the ensuing year: chairman, Harry H. Freeman; vice-chairman, John B. Blandford, Jr.; and secretary-treasurer, Russell Forbes.

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Citizens' and Taxpayers' League of Buncombe County (Asheville, N. C.).—For the past three months the League has been issuing a monthly bulletin to its members. The League's objectives are as follows: fair elections with equal privileges for every candidate; a competent business administration for the city of Asheville and the county of Buncombe; elimination of waste and consolidation of governmental agencies to increase efficiency and reduce expenses; home rule for city and county schools; repeal of all laws that have tended toward special privilege; thorough and impartial revaluation of real and personal property; revision of the taxing system so as to compel the listing of intangibles.

The League has begun discussion of managerial form of government for Asheville and for Buncombe County, and also the possible consolidation of county and city governments under one management.

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Boston Finance Commission.—On October 9 the term of John C. L. Dowling as chairman of the Finance Commission expired. On that date the governor appointed Frank A. Goodwin to the chairmanship and Mr. Goodwin took office on October 16. Mr. Goodwin is well known as the former registrar of motor vehicles for the state of Massachusetts and the leading advocate of a state insurance fund to handle compulsory liability insurance on motor vehicles.

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California Taxpayers' Association.—The Association has been asked by the board of education of Pasadena, California, to make a study of its educational system. The board has voted $5700 for the study. The survey is designed to render to the board of education the fullest amount of general information pertaining to schools.

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Civic Affairs Department, Indianapolis Chamber of Commerce.—The department completed its study of municipal budgets and its presentation of budget recommendations in November. From the time when the first official proposals were made until final action was taken, 1930 budget proposals were reduced more than $3,800,000. Proposed tax levies were reduced in the final action 54 cents on each $100. For the first time in the half-dozen years of budget study of the department, every local budget is adequately financed. The department believes that the appropriations for 1930 also are adequate. The levies finally adopted are 2.6 per cent greater for local purposes than in 1929, but the increases are made for meeting the deficit in the county budget of 1929 and preventing its recurrence in 1930. All other budget expansions were financed by the increase in assessed valuations amounting to over $17,000,000.

The department especially compliments the officials of the civil city for their very businesslike preparation and consideration of their budgets. These were, excepting one small item, finally approved by the taxpayers without appeal to the state board of tax commissioners for review. The department now plans progress in its campaign to bring about formulation of a long-term program of public improvements.

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The Bureau of Public Research (Jacksonville, Florida).—The Bureau opened its office on January 20, 1929. An intensive campaign for members over a period of five months resulted in 311 memberships, representing over 40 per cent of local taxable values.

To date the Bureau has issued a booklet of general information and four bulletins on current local issues. Whereas formerly bond elections have been decided by as few as 1,000 votes, the publicity of the Bureau was credited this year with bringing out over three times that number of voters to the polls. Our efforts have been followed by a general policy of economy in regard to bond issues and lower city taxes. During the past year the city of Jacksonville has reduced its tax millage from 24.5 in 1928 to 21.8 in 1929.

While the scope of our research is confined to Duval County and the city of Jacksonville, ours is a pioneer effort in the state of Florida to analyze for the citizens matters of public expenditure from a non-political, non-partisan point of view, and as such has met with a very favorable response.

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National Institute of Public Administration.—The survey and audit of the New Jersey state government, which the Institute was engaged last April to make, is nearing completion. Within a short time a comprehensive report will be submitted to Governor Larson and the special legislative committee on audit and finance, covering the administrative structure and methods and the condition of the state's finances. Some of the preliminary findings of the Institute have already been published by the newspapers. Considerable public interest is being shown in the recommendations and outcome of the survey. The governor and the legislative leaders, however, are awaiting the complete report of the Institute before committing themselves on the readjustment and modernization of the state's administrative machinery and fiscal system.

Bruce Smith and his staff from the Institute have completed their survey of the Chicago police department and are now engaged in installing their recommendations aimed at reorganization of the force.

The committee on Uniform Crime Records of the International Association of Chiefs of Police has issued a new edition of their *Report on Uniform Crime Records*. The committee has also published a revised edition of a *Guide for Preparing Annual Police Reports*. Bruce Smith is the committee's director of research.

Luther Gulick, director of the Institute, has been retained by the New York State Commission on Old Age Security to organize and direct its research work. This Commission was appointed jointly by the legislature and the governor at the close of the 1929 session of the legislature to deal with the problem of old age security. The act providing for the Commission (chapter 664 of the laws of 1929) requires the Commission not only to study the problem of old age pensions, but to deal also with the problem of the older worker in industry, with the existing poor law, and with the institutional provision for the aged, particularly through district infirmaries.

The Commission has as yet reached no conclusions with regard to its report to the legislature. Extensive public hearings have been held in Buffalo, Rochester, Syracuse, Albany and New York. It is expected that the Commission will report to the legislature early in 1930.

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The Taxpayers' Association of New Mexico.—The Association has completed a study of 400 school transportation routes in New Mexico covering about two-thirds of those in operation during the last fiscal year ending June 30, 1929. The investigation shows that it costs one cent per mile per pupil. In New Mexico there is only one district in which the school buses are publicly owned, transportation being furnished through contract with private individuals. The average cost per route is $816.50 and the average cost per pupil is $50.11 a year.

The Ohio Institute.—A Summary of receipts and expenditures of the state of Ohio and all its subdivisions for the calendar year 1928 has been compiled and will be published soon.

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Schenectady Bureau of Municipal Research.—The board of directors has approved a tentative work program for the coming year which includes two surveys of important departments of city government involving a considerable amount of detailed research. The complete program is as follows: survey of collection and disposal of municipal wastes; survey of police administration; survey of the procedure in settling damage claims against the city; completion of charities survey; continuing study of city finances; continuing work on previous reports; monthly letters and special analyses; current problems.

In conjunction with the department of political science at Union College, the Bureau has started a plan which it is hoped will eventually prove highly beneficial to both the college and the Bureau. Students in the municipal government group, under the direction of assistant professor Henry R. Enslow, spend one afternoon a week at the Bureau, assisting in routine work. It is planned to have members of the Bureau staff lecture at the college later in the year on various municipal problems.

The managing director recently made a trip of investigation to Buffalo and Cleveland where social workers were consulted on the latest developments in organized welfare work. A representative group of women has been appointed by the league of women voters to assist the Bureau in this study. This group will shortly be called together to exchange viewpoints on local social problems and to hear the report of the managing director who will outline the characteristics of other municipal welfare systems which might be applied to Schenectady.

The Bureau has been engaged in the preparation of the local law designed to correct certain defects in the delinquent tax system which were brought to light by the study of last year. However, it is reported that the New York state legislature in the coming session will pass an optional delinquent tax law providing for a foreclosure procedure and other modern provisions along the lines suggested by the Bureau report. It is now planned to await the action of the legislature before urging local consideration of the matter, inasmuch as such legislative action would definitely settle questions as to the legality of certain provisions proposed locally.

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Stamford (Connecticut) Taxpayers' Association.—In November the Association completed the financing of a three-year program. Paul B. Wilcox has been selected as executive director. Mr. Wilcox will be remembered as a former executive secretary of the International City Managers' Association, assistant city manager of East Cleveland, Ohio, and assistant city manager of Miami, Florida. He has done city efficiency work in Los Angeles, Duluth, and Omaha. He managed the city manager charter campaign in Long Beach in 1920.

The mayor's recently-appointed charter revision commission is debating the advisability of preparing a new charter providing for the city manager plan.

The efforts of the Taxpayers' Association, though hampered by a small budget, will be directed toward an educational campaign in behalf of a better form of government; reappraisal of property; a forward-looking permanent improvement program; and a definite financial program.

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Toledo Commission of Publicity and Efficiency.—Among the things that engaged the attention of the Commission preceding the November election was an analysis of the comparative park acreage of cities of the United States comparable to Toledo. This showed that Toledo was slightly below the average in park acreage, in proportion to population, and quite deficient in children's playgrounds and neighborhood playfield parks. This report was made with a proposed $500,000 park lands bond issue in mind. This bond issue failed of approval at the election.

Another project was a study of the possible effect on the tax rate of the passage of the $1,250,000 bond issue and the approval of three separate tax levies. Only the bond issue for street widening passed, and, of the three levies, a two-mill operating levy for the board of education and a one-mill road levy were approved.

In a study just completed, the 1930 tax rate for all the governmental taxing districts in Toledo are analyzed. Studies under way deal with the conditions under which certified milk is produced; paving inspection; and the personnel, salaries, equipment and working conditions of fire departments in cities of the United States of over 50,000 population.

NOTES AND EVENTS

EDITED BY H. W. DODDS

Vote Slackers a Liability.—Since the election of November 5 in Detroit there is unanimous agreement that non-voting by disinterested citizens was the chief factor responsible for the failure of Mayor John C. Lodge to receive renomination and reëlection. Regardless of political affiliations, it is agreed that although Mr. Lodge adhered to his policy of 1927, refusing to make any campaign, his principal liability consisted in the assumption shared by many thousands of Detroit's citizens prior to the primary, October 8, that Mr. Lodge would unquestionably be nominated at the primary, after which the Lodge forces would organize and wage a vigorous campaign for his reëlection. In the primary vote, however, Lodge ran third. Charles Bowles, who later was chosen mayor by a majority of 8,462, and John W. Smith, former mayor, became the nominees.

This is the second time in recent years when highly critical decisions in Detroit elections have been made on the negative side by the failure of many citizens to go to the polls.

In the past decade the Detroit municipal court, under a unified plan, has occupied much public attention, but the question of court policy, it is agreed, was determined in 1923 when four of the seven judges were supported by the progressive elements and two of the four suffered defeat through the inaction of thousands of citizens whose personal opinions, without question, favored the so-called "Big Four." In a registration of more than 300,000 voters, slightly under 125,000 votes were cast. It was recognized and has subsequently been admitted that a vote of 150,000—an even half of the qualified registration—would have assured reëlection of the four judges whose ideas had determined the policy of the court. Since 1923 a great mass of delicate and important public questions centering in the court have been decided according to the liberal policy which resulted from the 1923 election.

These facts are cited as bits of evidence to be considered by students of the problem of non-voting. Whereas it is often contended that an unreliable election system, or a list of party "machine" candidates who make no appeal to disinterested citizens, in many cases may justify voters' indifference, in Detroit the election system, with the complete non-partisanship of city government, almost complete home rule in city affairs, and many other factors affecting local government, together constitute an indictment of those so-called good citizens who are more interested in their bridge game or golf score on election day than they are in expressing themselves at the polls. Under present conditions Detroiters believe that the greatest liability on the present and future governmental welfare of the city is that of the thousands of citizens who neglect responsibilities of the ballot.

W. P. Lovett.

*

Home-Owning Possible for Wage Earners.—"Can a family having an income as low as $1,800 to $2,500 a year own its home?" This question is asked, and, after a thorough analysis of every cost entering into the ownership of a single-family, detached house, answered affirmatively in a report on the Economics of Land Subdivision, published by the Regional Plan of New York and Its Environs. The report was prepared for the Regional Plan by Robert Whitten, a planning expert, as one of a series of studies on the problems of planning unbuilt areas.

Not all families of the $1,800 to $2,500 income level can own homes, it is pointed out, but those which are able to pay $10 per room for four or five rooms in a tenement building—and there are many such—can, for the same monthly payment, buy a small but well-built house in the outskirts of the city or in the suburbs. And the payment will cover interest and amortization, taxes, insurance, repairs and even coal.

But there are certain conditions which must be fulfilled to make this possible. The home must be part of a "neighborhood unit," permanently planned in advance to make possible great economies not otherwise obtainable. Proper zoning would assure that none of the land in the unit of about 160 acres would ever be used for anything but single-family houses; that is, none except the definite areas set aside for business, schools, churches and other public purposes. This would mean that the approximate density of population would be permanently fixed.

With the assurance that the population would never be much greater than that for which the community was originally planned, the streets within the unit could be made much narrower than the law now reasonably requires. The boundary streets which would carry all through traffic would, on the other hand, be wider. Despite the extra land given over for the boundary streets, the net area of land available for building lots would be greater, resulting in an important economy. Also, narrower streets would mean lower paving costs. The definite low population-density would likewise mean that smaller sewage and water mains could be used throughout the unit, with another saving in cost.

Contrary to the general belief that it is always desirable to build where land values will rise, the report points out that one of the chief advantages of the neighborhood unit is that it will stabilize land values, preventing sharply rising land values and consequent rising taxes.

Despite the low cost of the houses in such a neighborhood unit, there would be many parks, playgrounds for the children, convenient shopping centers, community centers and other amenities of community life.

Five-room houses would be built on 40-foot lots; smaller houses on 30-foot lots, and larger houses on correspondingly larger lots. For a five-room house, the cost of the house itself plus lot improvements would be $5,150. The carrying cost of $50 per month assumes a down payment of $650, and is based on an annual requirement of $172 for taxes, water, insurance and repairs; a six per cent interest charge of $186 on a first mortgage of $3,100, and an interest and amortization charge over a period of 17 years of $134 on a second mortgage of $1,400.

As evidence that such houses are needed, the report points to the thousands of small houses on narrow lots that have been built in Queens to sell for from $4,800 to $7,500. "These houses, some of flimsy construction, and all built in monotonous rows and on narrow lots, with most street improvements lacking, and with no provision for community life or for parks and playgrounds, are but a sorry makeshift as a solution of the housing problem."

While low-cost housing cannot be built on high-cost land, there is much land, both within the city and without, that could be developed as low-cost neighborhood units, particularly since the cost of raw land is only a small percentage of the final cost of improved land and house.

Census Data by Neighborhood Areas.—George A. Lundberg, writing in the *Pittsburgh Record* published by the University of Pittsburgh, announces that Pittsburgh in common with numerous other cities is planning to take advantage of the offer of the census bureau to make tabulations of census data by neighboring areas. He points out that New York was the first to take this action twenty years ago. The city was divided into about three thousand census tracts and tabulations were made out for each tract. Chicago, St. Louis, and Cleveland were among the cities which secured similar tabulations in the census of 1920.

The population data of Pittsburgh, which in the previous census were tabulated according to the twenty-eight wards, will this year be tabulated by about two hundred carefully plotted tracts. Since such a tabulation involves additional expense the Census Bureau requires that each city desiring it bear the extra cost. The value of the information to civic and commercial bodies is so great, however, that local financial support is ordinarily easy to obtain when the advantages are made clear.

Political boundaries rarely follow racial, political, or economic dividing lines. For this reason, every city should take advantage of the offer of the census bureau to bring population data into conformity with the needs of business, government, and public welfare.

⁂

To Relieve Traffic Congestion in New York City.—Following a year's study, the firm of Day and Zimmerman, Philadelphia traffic engineers, has submitted to the city of New York a billion-dollar traffic-relief program. Following closely upon the reports of the Regional Plan of New York, the engineers' recommendations are attracting unusual attention. Harold M. Lewis, executive engineer of the Regional Plan, characterizes the Day and Zimmerman proposals as "a very great step forward."

The city of New York now possesses adequate data upon which to adopt an official plan and begin to carry it out. The engineers' report recommends the following major projects to be completed as soon as possible:

The Triborough Bridge, linking the Bronx and Queens with Manhattan. Work on this project has already begun.

The midtown vehicular tunnel under the East River, joining Thirty-eighth Street, Manhattan, with Long Island City. A crosstown tube extension to Tenth Avenue, Manhattan, and a

Long Island City branch on Borden Avenue are also recommended. This project has been authorized by the board of estimate and plans are being completed.

A north-and-south highway extending from the Brooklyn terminus of the proposed Narrows tunnel to Staten Island to the intersection of Astoria and Twelfth Avenues in Queens. The report estimates the cost of such a highway at about $70,000,000.

A west-side marginal highway along the Hudson River front to carry through traffic from lower Manhattan to the Bronx. This project has already been started under the plan for the west-side express highway.

An east-side marginal highway along the East River front to carry traffic from lower Manhattan to the Bronx. The board of estimate has approved such a plan in principle.

A $66,000,000 vehicular tunnel to extend from the Battery to Brooklyn, passing under Governors Island, with a Manhattan terminal at Cedar and West Streets and a Brooklyn terminal near Hicks Street.

Other projects deemed not immediately necessary, but ultimately desirable, include a $200,000,000 vehicular tunnel extending nearly the full length of Manhattan Island, with most of its course under Fifth Avenue. While the majority of the engineers' proposals seem to have met with popular favor, there is widespread doubt as to the economic soundness of the Fifth Avenue tunnel.

⁂

How Playgrounds Affect Values.—The effects of parks on land values are generally accepted as beneficial. Whether playgrounds are such desirable neighbors has been a matter of more doubt, and we are indebted to *Parks and Playgrounds* for the publication of an abstract of a study by Jacob W. Feldman of the relation of playgrounds to the values of lands bordering on or adjacent to them. The study is confined to playgrounds in Brooklyn, New York, and Orange, New Jersey. From a wealth of data the author draws the following conclusions:

(a) Where playgrounds are located in residential districts the "bordering on" property values show a greater percentage of increase than the "adjacent to" property.

(b) Where playgrounds are located in business districts the "adjacent to" property values show a greater percentage of increase than that of the "bordering on" property values.

(c) Playgrounds do not effect a decline in land value of the "bordering on" and "adjacent to" property after the playground is established.

(d) Playgrounds show the greatest effect on percentage of increase in land values when located in a residential district; the "higher class" the residential district is, the higher the percentage of increase.

(e) When business and industry invade the property "bordering on" and "adjacent to" a playground, the benefit of the playground as shown in land value is very much decreased.

(f) The effect of playgrounds on the surrounding property values depends on the uses to which this land is put.

(g) Of playgrounds studied, the factor of the size of the playgrounds does not affect the relative increase of land values "bordering on" and "adjacent to" property.

(h) Small plots of land used as playgrounds do not appear to affect land values in Brooklyn, New York, but they appear to have a decided effect on land values in Orange, New Jersey.

(i) Parks changed to playgrounds do not cause a decline in land value of the property "bordering on" and "adjacent to" the playground.

(j) Where there is a good deal of surrounding vacant land, playgrounds do not appear to affect land values.

(k) To have the greatest effect of increasing land values a playground should be bordered on all sides by residential streets.

(l) None of the above conclusions are meant to indicate that they would apply in all cases, but they do apply to the playgrounds that have been studied in this investigation.

⁂

University of California Expands Work in Public Administration.—Assistance of the Rockefeller Foundation and the state will enable the University of California to start a program of teaching and research in public administration, beginning July 1, 1930. In addition to existing funds an available amount of more than $262,000 will be expended by 1936. The Rockefeller Foundation's gift will aid the work during the first six years at least.

The new project has been planned and sponsored by a committee headed by S. C. May, associate professor of political science, under whose direction it will be conducted. Among the purposes of the project as outlined by Professor May are the following:

1. To collect, classify and make available the existing materials and information which are required for an understanding of the varied work of government.
2. To develop systematically through the various existing departments of the University a continuous and coördinated program of comparative field investigations concerning the administrative structure for the performance of government work.
3. To bring about coördination of research among departments interested in special government fields.
4. To establish and conduct carefully planned

coöperative programs of research in those fields of public administration not now fully developed by the University; such as, the administration of criminal justice, the administration of civil justice, various phases of city and regional planning, policy administration.

5. To coöperate with civic organizations, bureaus of governmental research, leagues of municipalities, public officials, and individuals in securing or giving information, making investigations or conducting research.

6. To publish the results of investigation and research in public administration.

7. To offer upper division and graduate instruction in those aspects of public administration which are applicable to all government organization units regardless of the particular function each may perform.

8. To carry on a continuous study of the opportunities and requirements of the public service so that educational problems involved in training for government administration may be intelligently solved, and that properly prepared students may find suitable positions.

The League of California Municipalities is moving its office to the University as a part of the expanded program, but will not, of course, share in the funds mentioned in the first paragraph of this note. The League's budget is $15,000 per year.

*

New York State Increases Number of Regional Police Schools.—Plans for regional training of policemen of every city and village in New York state have been announced by the Advisory Council on Police Training representing the New York State Conference of Mayors, the New York State Police Chiefs' Association, and the State School for Police.

Eighteen zone police-training schools will be in operation this winter. Ten such schools were operated last winter with a total average weekly attendance of 2,400 policemen. These schools will be located at Albany, Binghamton, Buffalo, Elmira, Geneva, Jamestown, Kingston, Middletown, Mineola, Plattsburg, Poughkeepsie, Rochester, Schenectady, Syracuse, Troy, Utica, Watertown, and White Plains.

A training school for the instructors of the eighteen zone school was held at Poughkeepsie, beginning on November 11 and ending on November 23. The school last year was operated for only one week. But the advisory council decided that instructors need more intensive training than they have heretofore received, so provisions were made not only to increase the time for the instructors' school but also to add five members to the training staff. Each police department operating a zone school sent its instructor to the Poughkeepsie school.

The curriculum used in the zone and instructors' schools this year contains several new subjects. Among the branches taught are: patrols, street conditions, civics, contact with the public, juveniles, vagrancy, crime classification, court procedure, methods of thieves, traffic, homicide, observation, and evidence.

*

Annual Meeting of the American Municipal Association.—The annual meeting of the American Municipal Association was held in Chicago immediately following the convention of the National Municipal League. Among the resolutions adopted was one authorizing the president of the Association to appoint three representatives to the governing committee of the Municipal Administration Service. The following organizations are now officially represented in the government of the Municipal Administration Service: National Municipal League, Governmental Research Association, International City Managers' Association, and the American Municipal Association.

Harvey W. Draper, secretary of the League of Texas Municipalities, was elected president for the ensuing year; Sedley H. Phinney, of the New Jersey State League of Municipalities, was elected vice president; Frederick H. Macmillin of Wisconsin, James Errant of Oklahoma, and Harold D. Smith of Michigan, were elected to the board of trustees.

*

Harvard School of City Planning.—A school of city planning, the first in this country, has been founded at Harvard University under the directorship of Professor Henry Vincent Hubbard, who has also been named as the first incumbent of the new Charles D. Norton chair of regional planning. The degree of Master in City Planning has been established for those who successfully complete the work of the school. This degree is the first of its kind to be offered in any American university. Officers of instruction and research include many persons familiar to readers of the NATIONAL MUNICIPAL REVIEW.

The work for the degree covers a three-year curriculum of which municipal government and municipal administration form a part.

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THE LEAGUE'S BUSINESS

Proceedings of Chicago Meeting Now Ready.—The Governmental Research Association has issued in mimeographed form complete proceedings of the National Conference on Improving Government held in Chicago November 12, 13, and 14, 1929. Although published by the Governmental Research Association, the *Proceedings* will be of interest to members of the National Municipal League, since all meetings of the Conference are reported. The *Proceedings* are sold for $2.00 per copy and may be secured from the Governmental Research Association, 261 Broadway, New York City.

*

Committee Activities.—A preliminary report is now being prepared by our *Committee on Organized Citizen Participation in Government,* of which Carl H. Pforzheimer is chairman, and W. P. Lovett is secretary. To facilitate the compilation of a tentative report, Dr. Lent D. Upson, director of the Detroit Bureau of Governmental Research, has assigned Mr. Charlton F. Chute of his staff to work under Mr. Lovett's supervision in the office of the Detroit Citizens' League. Mr. Chute is collaborating with Mr. Lovett in the preparation of the tentative report which will be submitted to the committee members for criticism in the near future.

Our *Committee on the County Manager Plan* held a meeting at New Orleans on December 28 in connection with the annual convention of the American Political Science Association. The following members of the committee attended the New Orleans meeting: Prof. John A. Fairlie, *chairman;* Professor Paul W. Wager, *secretary;* Frank G. Bates; A. R. Hatton; James Errant; and Samuel C. May.

The committee spent almost an entire day hard at work in the preparation of its tentative report. Special attention was given to Professor Wager's tentative draft of a proposed model law which would set up the manager form of government for counties.

A further meeting of the committee was held at the City Club of New York on February 1, when further progress was made towards the completion of the report and the recommended model law.

Meanwhile the work of this committee is attracting attention and arousing interest in all parts of the country. Inquiries are coming in constantly to the central office asking for information, copies of the committee report, and suggested laws. It is expected that laws on county management will be introduced at the present session of the state legislatures in California and Virginia. Perhaps the most conclusive proof of the current interest in this subject is the fact that the H. W. Wilson Company is now preparing a volume on the county manager plan which is intended for use by either the affirmative or negative side in public debates on the subject.

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EDITORIAL COMMENT

Mayor "Bossy" Gillis, of Newburyport, Massachusetts, who attained national notoriety during his first term in the executive office, has been reëlected for a second term by a close vote. It was Mayor Gillis who translated Jackson's famous "To the winner belong the spoils" into "The winners gets the gravy and the losers gets the dirt." His administration seems faithfully to have observed this high principle.

*

Readers of the REVIEW who are cheered by occasional news of an academic person in practical politics will be interested in learning that Professor Frank G. Bates of Indiana University, well known for his writings on municipal government, has been appointed police commissioner of Bloomington, Indiana, for a four-year term beginning January 1.

*

The International City Managers' Association, at its meeting in Fort Worth, elected Clifford W. Ham, manager of Pontiac, Michigan, president; Stephen B. Story, manager of Rochester, New York, first vice president; Charles H. Carran, of East Cleveland, Ohio, second vice president; and H. L. Woolhiser, of Winnetka, Illinois, third vice president. The 1930 convention will be held at San Francisco. Clarence E. Ridley continues as executive secretary of the Association.

At the meeting of the City Managers' Association at Fort Worth, Texas, Louis Brownlow, chairman of the Research Committee of the organization, announced an appropriation of $10,000 annually for a three-year period from the Julius Rosenwald Fund of Chicago for research study and consultation service, and a gift of $5,000 annually for a two-year period for traveling fellowships. In addition, the University of Chicago has appropriated $27,000 for a three-year period. The research program will be carried out in coöperation with the University of Chicago.

One full-time man will be added to the staff at once to work on the development of measurement standards of efficiency under the direction of the national committee on which the National Municipal League is represented.

*

Chicago Moves to Consolidate Municipal Reform The fiscal plight of Chicago and Cook County, related by Mr. Martin in this issue, has brought that city thousands of dollars' worth of free national advertising. But unless one accepts unqualifiedly the advertising slogan that "repetition makes reputation," he will have to admit that Chicago would have been fortunate to escape this donation. The present difficulties appear, however, to have accelerated the movement for some unified agency to act as a clearing house or holding corporation for civic efforts. While Chicago possesses a number of organizations working in allied fields of public service, there is a feeling in some quarters that greater coördination is needed in order to present a united front against the powers which have brought reproach upon the city's fair name.

The excellent work of the Joint Commission on Real Estate Valuation, under the chairmanship of George O. Fairweather, is too well known to readers of the REVIEW to need further description here. Its accomplishments should be an inspiration to decent folk to press forward to the complete redemption of the city.

The National Municipal League has encouraged the movement for greater coördination in civic effort. During its recent convention in Chicago a meeting was held at the Union League Club which was attended by representatives of the League and the Governmental Research Association in which the experience of other cities was canvassed and the benefits of greater unification of activities working for municipal improvement pointed out.

*

Counting P. R. Ballots In the last election in Cincinnati approximately 145,000 ballots were cast. The count started at 8 P.M. on election night, November 5, and continued until 4 P.M., Wednesday, November 13. If the count had been conducted by expert bank clerks, working in three eight-hour shifts, the time could have been materially shortened. In Cincinnati at the last election the tellers were not experts, but were of higher calibre than at any previous time. They worked on several evenings and on Sunday.

The Cincinnati procedure provides three distinct checks, and it would be necessary to corrupt three sets of tellers before a fraudulent tally would escape detection. Each process is itself checked by a Republican and a Democrat so that the possibility of a corrupt canvass is very remote. While this careful routine adds to the time necessary for the count, the delay in announcing the final returns is compensated for by greater popular confidence in the results.

Some have questioned the slow counting process involved in all proportional representation elections. Americans, accustomed to speed in everything, have developed a demand to know the returns before they go to bed for the night. Some are inclined to view P. R. as a freak system because of the size of the counting job. Others, assuming that the length of time consumed is due to inefficient administration, have asked why the period cannot be reduced.

Cincinnati, however, refuses to get excited over this feature of its system. Henry Bentley, chairman of the City Charter Committee, reports that the count is followed with keen interest by the people and the press and that no annoyance is felt by reason of the delay in determining the result.

Mr. Bentley has a scheme by which an unofficial count could be secured in a vote as heavy as Cincinnati's in six or eight hours. It involves a battery of punch machines and sorting machines and would be accurate except with reference to defective ballots. Of course, such ballots cannot be detected except by tellers examining each one separately, but cases in which the elimination of defective ballots would change the unofficial figures would be extremely rare. If the people demand the same quick returns as they secured under the old system, when accuracy was often sacrificed to speed, they can secure it under Mr. Bentley's proposal. But the present practice works no injustice to anyone and there seems to be little justification for the expense and trouble of a hastier preliminary count.

* * *

Hopkins No Longer Manager of Cleveland

William R. Hopkins, city manager of Cleveland, was removed from office by the city council on January 13 by a vote of 14 to 11. This fulfills the prophecy of those who predicted that the recent election would spell the end of Mr. Hopkins' service as manager.

The majority of the newspapers of the country have assumed that the discharge of Mr. Hopkins marks the death knell of manager government in Cleveland. So far as we can learn there are no grounds for such a belief. On the contrary the change may open a new era in the city's administration, under an executive who more fully understands the true nature of the manager's office.

Mr. Hopkins has been an active leader in policy and politics, and the fate which has overtaken him was as certain as death and taxes. Mr. Hopkins is a man of high attainments and forceful personality, whose honest promoter's instincts led him outside the restricted field of operation and administration into the uncertain terrain of politics. He looked upon his office as that of a glorified mayor rather than as limited to the less dramatic duties of administration. He would have made a gorgeous mayor, but he could not accept the limitations of the manager's office—limitations which must be recognized and observed or else the profession of city manager cannot survive.

It is reported that State Senator D. E. Morgan will be chosen to succeed Mr. Hopkins. Mr. Morgan is a distinguished attorney of Cleveland and a former president of the Citizens' League. He was influential in securing the new election code for Ohio which has been described as one of the most advanced steps in election administration taken by any state in recent years.

* * *

Civil Service in Cleveland

Readers of the REVIEW have been aware that all has not been well with the merit system in Cleveland. (See NATIONAL MUNICIPAL REVIEW, Vol. XVI, p. 375, and Vol. XVIII, p. 727.) Indeed, the political proclivities of the commission have been one of the most serious handicaps which manager government has had to face in that city. In 1926 the Cleveland Citizens' League made eleven specific charges of maladministration, none of which was answered by the commission. Further investigation by the League at that time was prevented by the commission's refusal to give access to its records. But popular distrust continued, and on March 18 of last year a special committee was appointed by the city council to investigate the commission. This committee named the director of the Citizens' League as its agent to make an examination, but it was not until a legal ruling had been given by the city's law department that the commission's records were opened to the League.

The special council committee reported on December 2, 1929. It endorsed the findings of the League's staff which again specifically charged that the commission had repeatedly violated the law and its own rules. The council committee gave two opportunities to the commission to answer the accusations in open hearing; but this it declined to do, and presented instead a written reply which the committee characterized as "largely a plea in confession and avoidance." The significant charges were not met at all and the council committee was "left with only general denials." Further hearings under oath disclosed convincing evidence of widespread political activities of municipal employees contrary to the civil service law. Although conclusive testimony regarding payments of sums ranging from $100 to $500 to secure favorable positions on eligible lists was not developed at the hearings, the committee reported that "there have been too many such rumors in recent years to permit us to believe that there are no foundations for them."

The committee concluded that the charges were largely true and that the commission had "been sadly derelict in its duty." It therefore demanded a complete change in the personnel of the commission, with the exception of Commissioner Harry E. Davis, as well as the dismissal of the secretary and some members of the staff. But the ultimate remedy prescribed was a change in the method of appointing the commission so that the council would no longer be responsible for this duty. The committee did not state where the power of appointment should be lodged, but there is some local sentiment for conferring it upon the city manager. While this change can be effected only by charter amendment, the committee did recommend for immediate passage several ordinances to improve certain details of personnel administration.

The findings of the special committee have already had an influence. Commissioner William S. FitzGerald, whose term expired last month, was not reëlected. According to the *Plain Dealer*, FitzGerald personified the pernicious politics which have nullified the merit system in Cleveland. The secretary, Ellsworth Jeffrey, has since submitted his resignation. George A. Green, director of the Citizens' Bureau (an organization dealing with the foreign born), has been appointed civil service commissioner and a complete shake-up in the staff is promised.

In our judgment, both theory and experience demand that personnel authority be responsible to the operating head of the government. Many civil service reformers, acquainted with the political practices of old-fashioned mayors, have been reluctant to make this plunge, believing that there should be some independent check upon the administration. But this attitude does not make due allowance for the changed conditions attending the introduction of the city manager idea. Surely it has been sufficiently demonstrated that city councils are temperamentally unequipped to participate in the appointment of the personnel authority, and so long as they attempt to do so the manager will be hampered by harmful political pressure. Manager Hopkins has had a convincing alibi in the civil service commission. No manager should have this alibi. Personnel administration will be no better than the manager will have it, but it may be infinitely worse if ultimate authority resides outside the manager's office.

*

With this issue Rowland A. Egger, of Princeton University, takes charge of the department on Municipal Activities Abroad. Dr. W. E. Mosher, who has been in charge of the department ever since its creation, retires because of pressure of other work from many directions. We speed the parting editor with grateful appreciation for faithful service rendered.

PULLING CHICAGO'S LOCAL GOVERNMENTS "OUT OF THE RED"

BY EDWARD M. MARTIN

Chicago

Inability to meet payrolls and prospective cuts in the police, fire and health departments is directing public attention to the virtual bankruptcy of Cook County's three major governments. :: :: ::

As 1930 opened the local governments in Chicago and Cook County were confronted by a financial situation probably without parallel in the annals of American municipalities. The predicament in which the major governments found themselves is the logical culmination of many years of unsound fiscal practice. In fact, close observers predicted many months ago what is now happening and recent events have only precipitated a crisis in local affairs and brought conflicting forces to a showdown.

The immediate occasion for concern has been the difficulty of the governments in meeting their semi-monthly payrolls. Regularly recurring "crises," dramatically headlined in the daily press, have made the town conscious that all is not well in the local chancellories. The truth is that several of the local governments have practically reached the end of their financial ropes and can obtain permanent relief only by drastic changes in their methods of fiscal administration.

THE PREDICAMENT ON JANUARY 1

Briefly stated, the situation on January 1 was something like this:

Taxes for 1928, ordinarily collectible in April, 1929, were unpaid and probably would not be collected for three to six months or longer.

The four major units of local administration—city of Chicago, Cook County, board of education, and the Sanitary District of Chicago—have an aggregate floating debt estimated at $270,000,000, the amount they had borrowed in anticipation of taxes not yet billed or collected.

The city corporate fund owed $93,000,000 in anticipation of the tax levies of 1928 and 1929, probably collectible in 1930, yet out of these two collections the city will get probably not more than $75,000,000.

The board of education owed more than $100,000,000 in anticipation of the two levies and it will require all of the board's tax collections to retire these loans.

The corporate fund of the county owed approximately $25,000,000 and will receive not more than $21,000,000 from the two tax levies borrowed against.

From the standpoint of a cash basis, on which the expenditures of a year are paid from the revenues of that year, the city has gotten behind $60,000,000, the county $12,000,000, and the board of education between $35,000,000 and $40,000,000, or an aggregate amount upwards of $107,000,000.

These and other financial data in this statement were obtained from an analysis issued by the Joint Commission on Real Estate Valuation appointed by the board of commissioners of Cook County.

The circumstance which precipitated the immediate predicament was the delay in completing the reassessment of real estate in Cook County. This reassessment must serve as the base for all taxation in the county until the next quadrennial assessment in 1931. On account of gross inequalities, the state tax commission, through its chairman William H. Malone, declared the 1927 quadrennial invalid and ordered a complete reassessment of all real estate in the county. The state tax commission issued its original order in May, 1928, and reissued it after the general assembly had enacted enabling legislation in June of the same year. Never before had the prerogatives of the independently elected board of assessors been assailed and it was not until December, 1928, that the reassessment was initiated in earnest.

A tremendous task in itself, the appraisal was made by trained men under expert direction. It was practically completed by June, 1929. But there yet remained the task of converting the appraisal into the legal assessment. To do this required that the board of assessors first review and approve it and then that the board of review, an independently elected agency of three members, pass on the findings of the five assessors. The activities of these bodies in relation to assessments have been told in previous numbers of the REVIEW.[1] Sufficient to state here that after three months of deliberations commencing about October 1, the board of review has passed on six out of a grand total of 500 volumes. The extent to which the review has progressed beyond the six volumes cannot be determined from the records.

Meanwhile the reassessment remains incomplete, taxes for 1928 are uncollected, borrowing in anticipation of taxes collectible two years hence continues, interest payments on temporary borrowings pile up at the rate of $50,000 per day, payroll crises recur, etc., etc. In short, affairs in Cook County appear to be on the verge of an impasse which only extraordinary measures can overcome.

OFFICIAL OPPOSITION AGGRAVATES SITUATION

Thus while the reassessment is technically responsible for the delay in tax collections it has been greatly aggravated by the opposition, open and covert, of elected public officers to whom and to whose political sponsors and allies the assessment of property has long been a source of party patronage and personal profit. Disguised attempts have periodically been made to kick over the reassessment. But its sponsors have overcome each hurdle and have proven that it is impregnable in principle, compelling in law, and until it is completed there will be no taxes collected for local governments.

Of the more than 400 political subdivisions in Cook County dependent upon the reassessment for current financing, many or perhaps all of them have been inconvenienced, but only a comparatively small number are in serious straits. The corporate or current expense funds of the three major units thus affected—city, county, and board of education—constitute less than fifty per cent of all revenues raised in the county from general taxation. Yet the expenditures from these three funds probably command ninety per cent of the public attention and a study of these funds will give a closer insight into the situation.

The present condition of these funds is the accumulation of long-continued unsound fiscal practices. When boiled down the trouble is traceable to the absence of financial planning and lack of any rigid system of fiscal control. To give a wider margin for making appropriations, some of the units have made unduly optimistic estimates of the cash receipts from taxes. For example, the city council, against the advice of the comptroller, estimated the cash receipts from the 1928 tax levy at $44,000,000, and the receipts from the 1929 levy at $43,000,000. The probable receipts from the two levies will be approximately $38,500,000, and $36,500,000, respectively. This difference of $12,000,000 between earlier hopes and present prospects is the basis for statements about a deficit in the city corporate fund. For a number of years the board of education has estimated tax levies well in excess of the rate multiplied by the probable assessment.

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[1] NATIONAL MUNICIPAL REVIEW: September, October, November, 1928; November, 1929.

Since these optimistic estimates make larger temporary borrowings possible, it is interesting to note that the present floating debt of $270,000,000, with interest charges of $50,000 per day, is not entirely a direct result of the reassessment. Up to 1929, in fact, the expenditures of the city, board of education, and county were from one to one and one-half years ahead of their revenues. With the present postponement of eight months in 1928 tax collections, these governments are now from two to two and one-half years ahead of their revenues. Normally these governments had a perpetual floating debt ranging from $80,000,000 to $150,000,000, depending on the time of year. The annual interest charge on this perpetual floating debt for a number of years has been between six and seven million dollars. If this practice is long continued, default or repudiation appears to be the inevitable result.

THE EFFECT OF THE REASSESSMENT

The reassessment was made according to rules laid down by the state tax commission. While the state law calls for full valuation, actual practice adopts percentage factors as the means of equalizing assessed values as between the various counties. Several studies carried on by experts independently of one another indicated 37 per cent as the average state-wide relation of assessments to full value. This figure, in fact, was recognized in testimony in the federal court at Danville involving land valuation for taxation in Illinois. Thus on the advice of counsel, the board of assessors adopted 37 per cent as the correct equalization factor for Cook County.

The aggregate values established by the board of assessors are made on a county-wide basis and the equalization factor is applied on the same scale. This fact, together with the unexpected result of a shifting of values as between the city of Chicago and the remainder of the county, helps to explain, in part, the present stringency of the major governments. The aggregate of the reassessment for the whole county closely approximates the result of the invalidated 1927 quadrennial. What did occur, however, to the surprise of practically everyone, was a reduction of approximately $400,000,000 in the aggregate assessment for the city of Chicago, and an increase of the aggregate for the rest of the county by practically the same amount.

Thus far practically all of the units, excepting the three mentioned, appear able to carry on under the 37 per cent factor. The revenue calculations of the city and of the board of education were upset by the actual aggregate of values resulting within the limits of Chicago. Despite the reduction in the aggregate values for Chicago, the estimated amount of cash which the city will receive from the 1928 tax levy will be approximately $700,000 more than the cash receipts from taxes in 1928 from the levy of 1927.

THE CONDITION OF THE MAJOR FUNDS

The estimated total outstanding obligations of the city corporate fund on December 31, 1929, were approximately $92,825,000. These obligations were in the form of tax anticipation loans and unpaid bills. In addition to this amount there were unpaid judgments payable from the corporate fund estimated at more than $5,000,000.

From present prospects it seems probable that the city will close the year 1930 with obligations of nearly $18,000,000 in excess of probable 1931 tax collections. A large portion of the cash obtainable in 1930 will be needed to pay the obligations in excess of the 1928 and 1929 tax levies. Failure of the city to make such repayment from 1930 cash will be at the personal liability of the city comptroller and treasurer. Any plan to repay these obligations by extra-legal loans could be upset by a taxpayer's suit. Also loans from banks in excess of the actual 1931 tax collections cannot be depended upon because loans are legally payable only from the proceeds of the taxes anticipated.

In adopting the so-called city budget for 1930 the council has undoubtedly had these considerations in mind. The budget must be adopted before any further funds can be borrowed. The plan recommended by the finance committee of the council calls for appropriations of more than $55,000,000, $5,000,000 less than the expenditures in 1929. The comptroller recommended a $20,000,000 reduction for 1930. In making these reductions the committee cut down the police and fire forces, pared the allotment for cleaning streets and alleys and made no provision for snow removal. It also cut into the city clerk's office and lessened the health department's field force.

The council first adopted the budget practically as recommended by the finance committee. Statements were made, however, that funds would be found later to keep all departments intact and that the reductions called for were not immediately mandatory. But forthwith, acting undoubtedly on instructions from the comptroller, department heads cut their forces to measure. More than 1500 employees, including 473 policemen and 235 firemen, were laid off.

Matters were further complicated by Mayor Thompson vetoing these drastic reductions. This act restored the ousted employees. The mayor insisted that the council appropriate on the 1929 basis or add approximately $5,000,000 to the recommended budget. The council, however, for the first time since Thompson took office refuses to do the mayor's bidding. Led by the finance committee, a group of aldermen controls 29 of 50 votes—enough to amend the original ordinance but not enough to override the mayor's veto.

At this writing a compromise seems probable which will keep the budget within $400,000 of the total amount originally recommended by the finance committee and again reduce the municipal personnel.

A sidelight on the situation prevailing in city hall was given by an independent Republican member of the finance committee who said, "If the mayor was on the job he would call his cabinet together and make suggestions as to where substantial cuts could be recommended by every department head, but since he cannot or will not do this, the committee on finance will be required to make the best job of allocating the estimated income for the year of which it is capable."

DARK OUTLOOK FOR COUNTY

The finances of Cook County are harder hit than any other fund by reason of the delay in tax collections and also because the county is bearing the expense of the reassessment. In addition to deferring the collection of annual tax receipts, the collection of other ordinary tax receipts (penalties from delinquent taxes and fees from collection and extension) amounting to approximately $2,900,000 has been postponed. At the same time the direct cost of the reassessment has been approximately $1,625,000 and the indirect cost approximately $550,000 for interest upon temporary loans have been paid from the county corporate fund.

The county's outlook for 1930 appears dark indeed. If the 1929 rate of expenditure prevails for 1930 and the 1929 unpaid bills are paid, there will be practically no cash available after July, 1930. From indications at this writing there will be a period of four months late in 1930 when payrolls cannot be met without illegal loans from other cash on hand or loans from banks in excess of legal authority. Either method becomes increasingly risky for the county treasurer or for the lending bank. Under a new law borrowing in anticipation of taxes after January 1, 1931, cannot precede 1932 tax collections more than twelve months. Practically, under existing circumstances, this means that there will be no method of securing cash from December 1, 1930 (the start of the next fiscal year) to May 1, 1931 (when 1930 taxes are due and collectible.)

The trend of events in county affairs is indicated by the fact that unpaid bills for supplies dating back as far as December, 1928, have accumulated to the amount of more than $6,000,000. In its budget for the current year, a cut of $2,311,632 was made, $1,167,632 being in salaries. Salary appropriations for the year were made on the basis of ten months' work. Also, late in December the county advertised for the sale of $7,000,000 in tax anticipation warrants and failed to receive a single bid.

The board of education obtained increased tax rates for the levies of 1929 and 1930 by a special appeal to the last session of the general assembly. But it has estimated its levy for 1929 on a basis requiring a total assessed valuation of $5,710,000,000 for the city alone, whereas the probable aggregate will be nearer $3,800,000,000. While the board of education will obtain largely augmented revenues, its receipts will probably fall far short of revenue expectations.

WHAT IS THE WAY OUT?

Citizens, as well as public officers, are asking, "What is the way out of the morass?" Fortunately, there are movements on foot attempting to bring order out of chaos. The success of these efforts, however, are dependent upon several conditions and it remains to be seen whether the efforts already begun can surmount the obstacles which now beset, or will be officially placed in, its path.

Impetus to the formation of a committee of representative citizens to point the way out was given by the forces behind the Joint Commission on Real Estate Valuation. This is the group which is driving the reassessment through to successful completion, much to the dismay of some and the astonishment of others who said it could never be done. The officers of the commission are George O. Fairweather, chairman, and John O. Rees, director.

Last November the Joint Commission issued its third report "a study of the present difficulties of local governments and their causes." The report, prepared by Mr. Rees, surveyed the situation in which the major local funds found themselves at the opening of 1930 and outlined the underlying considerations which appeared necessary to permanent financial relief. Addressed to the board of Cook County commissioners, the letter transmitting the report set forth the Commission's conclusions that "to pull the local governments out of the 'red' and to keep them out of the 'red'" requires legislation covering these four essentials:

1. A sound assessment service—involving a reorganization of the present boards of assessing and review.
2. A definite temporary borrowing power which fixes a limit for mortgaging future income.
3. A definite budget law which controls expenditure in relation to revenue.
4. A funding of existing debts which "frankly and economically faces the sad facts of present deficits, as they are, and prepares the way, not for repetition, but for orderly and controlled public finance programs."

"Any relief plan which omits any one of these items," declares the commission, "is temporizing and is quite likely not to receive public approval."

As the local governments made their appropriation plans for 1930 the need for permanent relief became more and more apparent. A meeting of representative citizens was called early in December to consider the matter. The movement was formalized with Silas W. Strawn as chairman and an executive committee representing the city's civic, business and banking interests. The private and public affiliations of Mr. Strawn and his associates on the committee assure the movement backing from many quarters. Although the "rescue committee" or "civic saviors," as the committee is dubbed, had not announced a detailed plan of action as this was written, it is highly probable that it will take the same general course indicated by the report of the Joint Commission.

Although many public officers have importuned Governor Emmerson, both privately and publicly, to call a special session of the general assembly, he has intimated that he will issue no such call until a definite plan for permanent relief is available for consideration. No session will probably be called before the April primary. Thus while the local governments must inevitably "go to Springfield for relief," the relief will probably be forthcoming not in the form of juggled tax rates, the expedient heretofore applied, but in thoroughgoing measures of fiscal practice and control.

NEW YORK COURT SUSTAINS THE EXECUTIVE BUDGET[1]

BY RINEHART J. SWENSON
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The controversy between Governor Roosevelt and the legislature over the executive budget has been decided, partially at least, in favor of the governor. The claim of the legislature to a share in the segregation of lump-sum appropriations has been defeated; but judicial dicta, likewise, deny this power to the governor and vest it in the department heads, thus seemingly defeating the effort to centralize responsibility in the governor. :: :: :: :: :: :: :: ::

On January 28, 1929, Governor Roosevelt transmitted to the New York legislature the first budget and budget bill, in accordance with Article IV–A of the state constitution. This article, familiarly known as the budget amendment, was adopted on November 8, 1927, in consequence of many years of nonpartisan agitation in favor of an executive budget. Section 2 provides that the governor

> . . . shall submit to the legislature a budget containing a complete plan of proposed expenditures and estimated revenues. It shall contain all the estimates so revised or certified and clearly itemized, and shall be accompanied by a bill or bills for all proposed appropriations and reappropriations; . . .

The governor may amend or supplement the budget before final action thereon by the legislature and within thirty days of submission thereof; or, with the consent of the legislature, he may submit supplemental budget bills at any time before adjournment of the legislature. Section 3 provides:

> The legislature may not alter an appropriation bill submitted by the governor except to strike out or reduce items therein, but it may add thereto items of appropriation provided that such additions are stated separately and distinctly from the original items of the bill and refer each to a single object or purpose; . . . and separate items added to the governor's bills by the legislature shall be subject to his approval as provided in section nine of article four.

THE CONTROVERSY IN THE LEGISLATURE

The budget bill so submitted contained a number of lump-sum appropriations, not itemized, for the administrative departments, with provision for segregation or itemizing by the governor alone. The legislature passed the bill on February 27, 1929, but struck out all the lump-sum items to which the governor had attached his provision for segregation control and substituted similar items to which were attached clauses calling for joint segregation by the chairmen of the legislative finance committees and the governor, in accordance with Section 139 of the State Finance Law of 1921.[2] On March 13 the governor vetoed these items and on March 18 he sent to the legislature, and it consented to receive, two alternative supplemental budget bills, one containing lump-sum appropriations to be segregated by the governor, the other providing for itemized appropriations. The first of these bills was not acted upon by the legislature, but the second was passed on March 28 in a modified form.[1] The legislature struck out a considerable number of detailed items of appropriations to the departments of law and labor and substituted lump-sum appropriations to be segregated under Section 139 of the State Finance Law;[2] and to the large-sum construction items, aggregating $20,669,410, the legislature appended, as Section 11, a segregation clause similar to Section 139 of the State Finance Law.[3] On April 12 the governor approved the lump-sum items for the department of law and the department of labor, holding, however, that Section 139 of the State Finance Law was unconstitutional as applied to these items; he disapproved the general segregation clause, Section 11, on constitutional grounds. Other appropriation bills passed at this session of the legislature contained similar provisions and were acted on in the same manner by the governor.

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[1] See also R. J. Swenson, "The New York State Budget Controversy," *New York University Law Quarterly Review* (September, 1929), Vol. VI, pp. 174–181.

[2] "Sec. 139. Segregation of Lump Sum Appropriations. When, by act of the legislature, a state department is created or reorganized, or state departments consolidated, or a board, commission, division or bureau within a department is created or reorganized, and a lump sum is appropriated for its maintenance and operation, or for

ISSUES INVOLVED

This controversy between the governor and the legislature was submitted on an agreed statement of facts to the Appellate Division, Third Department, in an action by the attorney general in the name of the People of the State of New York to restrain the comptroller from making payments without the approval of the finance chairmen of the legislature. The Appellate Division gave judgment in favor of the plaintiff[4] and the case was then carried to the Court of Appeals, where the judgment of the Appellate Division was reversed.[5]

Several important questions of public policy and constitutional principle grew out of this controversy, most of which are germane to the main issue: namely, whether the finance chairmen of the legislature may constitutionally be given power to approve segregation of lump sums appropriated by the legislature to the administrative departments.

The governor denied the constitutional authority of the legislature to authorize its finance chairmen to participate in the segregation of lump-sum appropriations. In a public statement on April 12, 1929, he charged that "the legislature deliberately violated the spirit and letter of the constitution,"[6] and in his veto message of March 13, 1929, he said in part:

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personal service, during the first fiscal year thereafter, no moneys so appropriated shall be available for payments for personal service, except temporary service or day labor, until a schedule of positions and salaries shall have been approved by the governor, the chairman of the Finance Committee of the Senate and the chairman of the Ways and Means Committee of the Assembly, and a certificate of such approval filed with the comptroller." (*Laws of 1921*, Chap. 336; *Laws of 1927*, Chap. 364.)

[1] *Laws of 1929*, Chap. 593.

[2] *Submission of Controversy in People* v. *Tremaine*, Supreme Court of the State of New York, Appellate Division, Third Judicial Department (1929), Exhibit H. The Legislature struck out 133 items for the department of law, aggregating $852,250, and 599 items for the department of labor, aggregating $2,700,000, and substituted lump-sum items to the identical amounts.

[3] *Ibid.*

[4] *People* v. *Tremaine*, 235 N. Y. S. 555 (1929).

[5] *People* v. *Tremaine*, 252 N. Y. 27 (1929).

[6] *Brief on Behalf of Defendant, People* v. *Tremaine*, Supreme Court of the State of New York, Appellate Division, Third Judicial Department, p. 16. Brief by William D. Guthrie and Edward G. Griffin. (Privately printed.)

I wish here only to reiterate that the proposal of the legislature requiring the approval of two members of the legislature in addition to approval by the governor before monies previously appropriated can be expended, in accordance with schedules submitted by various department heads, is contrary to the spirit and letter of the constitution of this state.

I am forced to take such drastic action because the future of the executive budget is at stake. Either the state must carry out the principles of the executive budget, which embody fifteen years of effort to place the affairs of the state on a modern efficient business basis, or we shall drift into a hopeless situation of divided responsibility for administration of executive functions.

It is wholly contrary to the whole plan of the American form of representative constitutional government to give two-thirds of a purely executive duty to the legislative branch of the government. The executive budget was not approved by the people of this state with any such thought in mind. I will not assent to a precedent depriving the present governor or future governors of a large part of the constitutional duties which are inherent in the office of chief executive.[1]

ARGUMENTS OF BOTH SIDES

When the controversy was taken to the courts for settlement of the legal issues involved, elaborate arguments were advanced by both sides.[2] In support of the governor's position it was urged that Section 139 of the State Finance Law, Section 11 of Chapter 593, Laws of 1929, and all similar segregation provisions in the appropriation acts of 1929 were either not applicable to the executive budget bills, or, if applicable, they were unconstitutional and void; that, if applicable, they were in conflict with (1) the constitutional separation of powers as defined in Article III, Section 1 and Section 7, and Article IV, Section 1,[3] and (2) the Reorganization Amendment of 1925 [4] and the Budget Amendment of 1927.[5] A distinction was made between the power to pass a law containing itemized appropriations, and the function of itemizing lump sums contained in appropriation laws; the former is legislative, the latter is administrative—the one relates to the *making* of a law, the other to its *execution.* The legislature, *acting as a body*, may segregate any or all of its appropriations, but it may not delegate this legislative power to two of its members, the finance chairmen.[6]

On the other hand, the attorney general, supporting the legislative cause, argued that the segregation provisions objected to by the governor were not in conflict with any provision of the state constitution; that long practice established the constitutional right of members of the legislature to serve on boards and commissions and to share with the governor the responsibility of approving segregations; that the reorganization and budget amendments did not increase the powers of the governor over the state finances, but that his powers were still limited to the *initiation*, not including the *execution*, of the budget; that the segregation of lump-sum appropriations is a legislative function which the legislature might assign or delegate to two of its members as its agents; that the approval of segregations is germane to the duties of the finance chairmen under Article IV–A and is otherwise incidental to the performance of the duties of a member of the legislature; and that

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[1] *Brief on Behalf of Defendant, People* v. *Tremaine,* p. 13. Another objection raised by Governor Roosevelt was a practical one. "I have," he said, "very definite objection to the necessity of obtaining the signatures of two gentlemen who, when the legislature is not in session, are not engaged in regular state business and are to be found, usually, in their homes often in remote localities." *Ibid.*, p. 12.

[2] See: *Brief on Behalf of Defendant, supra; Brief on Behalf of Defendant-Appellant, People* v. *Tremaine,* Court of Appeals, State of New York (1929), William D. Guthrie and Edward G. Griffin, counsel; *Brief for Plaintiffs, People* v. *Tremaine,* Supreme Court, State of New York, Appellate Division, Third Judicial Department (1929), Hamilton Ward, Attorney General.

[3] Article III, Section 1: "The Legislative power of this state shall be vested in the senate and assembly." Article IV, Section 1: "The Executive power shall be vested in a Governor. . . ." Article III, Section 7: "No member of the legislature shall receive any civil appointment within this state, or the Senate of the United States, from the governor, the governor and senate, or from the legislature, or from any city government, during the time for which he shall have been elected; . . . ."

[4] Article V, as amended in 1925 and 1927, provides for the reorganization of the state administration, Section 3 of which directs the legislature to " . . . . provide by law for the appropriate assignment . . . . *of all the civil, administrative and executive functions of the State Government, to the several departments in this article provided.*" (Italics are the author's.)

[5] Article IV–A. For the significant provisions, see the beginning of this article.

[6] *Brief on Behalf of Defendant-Appellant,* Points III, IV.

> . . . when acting on approvals the chairmen of the legislative committees are administrative officers, the same as the governor is when performing that duty. The legislature as a legislative body is not acting upon the approvals, nor do the chairmen represent the legislature any more than the governor represents the legislature.[1]

APPELLATE DIVISION SUSTAINS LEGISLATURE

The Appellate Division of the Supreme Court sustained the argument of the attorney-general, unable to discover in the amendments of 1925 and 1927 any intentions to change previous practice materially, or to find any constitutional objection to the exercise of administrative functions by members of the legislature. Speaking of the function of approving segregations this court said:

> Perhaps the duty falls within the twilight zone where the function is legislative and the act of approval is administrative; and exact classification is unnecessary. It might be designated as a deferred legislative act in aid of the performance of functions which the legislature might fully have performed originally, properly delegated to officers acting in an administrative capacity. . . . The legislation was complete, but the distribution for particular purposes was to be made by heads of departments with the approval of the governor and legislative officers, furnishing a system of check and balance. The duties of the chairmen being in furtherance of the legislative plan are not necessarily illegal because they involve administrative functions. The legislature is not acting in a body, nor are these chairmen acting as legislators in performing their duties.[2]

And

> When the amendments of the constitution of 1925 and 1927 were passed by the legislature and submitted to the vote of the people, section 139 was then in force and it is not likely that any large number of persons then questioned its constitutionality or anticipated that the new constitution would by its own force affect this legislation.[3]

This last statement is not supported by the history of the budget amendment or by the information then in the possession of the court. If Article IV–A was not intended to alter the previous practice of budget mis-making, what was its purpose? The court neglected to throw any light on this question.

COURT OF APPEALS REVERSES APPELLATE DIVISIONS

Fortunately the Court of Appeals reversed the lower court. Justice Pound, speaking for the majority of this court, pointed out that while no one could question the fitness of members of the legislature to hold administrative offices *in the absence of constitutional inhibition*, such limitation existed in Article III, Section 7, adopted, in substance, in 1821; and the designation of the finance chairmen to approve the segregation of lump-sum appropriations amounted to the making of civil appointments by the legislature within the prohibition of this article, because

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[1] *Brief for Plaintiffs, supra.*

[2] *People* v. *Tremaine*, 235 N. Y. S. 555, 564 (1929).

[3] *Ibid.*, p. 565.

> The positions are created and filled by the legislature; the incumbents possess governmental powers; the powers and duties of the positions are defined by the legislature; such powers and duties are performed independently; the positions have some degree of permanency and continuity. Their power is not exhausted by a single act but is a general supervisory power over a large group of appropriations, amounting to nearly nine million dollars, to be exercised whenever the occasion arises. . . . Their appointment was on behalf of the government in a station of public trust not merely transient, occasional, or incidental.[1]

This, said the court, is a clear and conspicuous instance of an attempt by the legislature to confer administrative powers upon two of its members. The legislature not only made a law, that is, made an appropriation, but it made two of its members ex officio its executive agents to carry out the law, that is, to act on the segregation of the appropriation. In this connection the court added:

> Should the question arise whether the appointments under consideration are legislative or administrative, a dilemma presents itself, either side of which is fatal to the contention of the respondent. If they are legislative in character the appointment amounts to a delegation of the legislative power over appropriations. The legislature cannot secure relief from its duties or responsibilities by a general delegation of legislative power to some one else. . . . If, on the other hand, the power is administrative, it has no real relation to legislative power. The head of the department does not legislate when he segregates a lump-sum appropriation. The legislation is complete when the appropriation is made. The legislature might make the segregation itself but *it may not confer administrative powers upon its members without giving them, unconstitutionally, civil appointments to administrative offices*. . . .
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> The State Finance Law, section 139, and the vetoed section 11 of chapter 593 of the Laws of 1929 and all similar segregation provisions in the appropriation bills of 1929 are, therefore, unconstitutional and void. . . .[2]

The court then proceeded to declare the state office site and building commission, created in 1926, "eviscerated and invalidated, at least so far as its money-spending functions are concerned." Chapter 93 of the Laws of 1929 had appropriated $3,800,000 to be expended by and under the direction of this commission. The commission consisted of the following members: the governor as chairman, the temporary president of the senate, the speaker of the assembly, the chairmen of the legislative finance committees, the superintendent of public works, and the state architect. A majority of these were legislative officers acting ex officio and were "thus holding invalid civil appointments of an administrative character from the legislature."

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[1] *People* v. *Tremaine*, 252 N. Y. 27, 42 (1929). Justice Crane in a concurring opinion took exception to this point, holding that the approval of segregations was a temporary duty—the appropriations being made for only one year—that does not rise to the dignity of an office within the meaning of Article III, Section 7. *Ibid.*, p. 54.

This constitutional inhibition (Article III, Section 7) does not extend to all extra-legislative functions, according to the majority view. Members of the legislature may (1) serve on boards, commissions, or committees to investigate and report on matters in aid of legislation; (2) be assigned duties of a private nature, as when they are named as ex officio trustees of private educational establishments; (3) be given duties that are merely transitory or occasional and of minor importance, not rising to the dignity of a civil appointment; and (4) be assigned to administrative duties *by the constitution.*

Justice Crane's exception to point (2) above is rather well taken. He said: "How is this a private trust? When a member of the board is thus designated by law, it is a public trust, or else the legislature has no power to deal with it. It is a private trust for those not sitting by designation under some specific law. The legislature cannot give away public moneys. . . . The legislators sit on these boards spending the public moneys because the duties are incidental to the appropriations and the duties of the legislature." *Ibid.*, p. 56.

[2] *Ibid.*, pp. 44, 45. (Italics are the author's.)

This is as far as it was necessary for the court to go, having disposed of the matters properly before it by holding that members of the legislature may not participate, *because of Article III, Section* 7, as individuals or as members of boards or commissions, in the segregation or spending of appropriations. Since the disputed provisions of the budget bill were held violate of *one* section of the constitution it was not necessary to declare them in conflict with any other provision, or to express an opinion upon any other point raised by counsel. It is not clear from the opinion, therefore, whether Justice Pound intends his discussion of the separation of governmental powers (apart from Article III, Section 7) and of Article IV–A and Article V to be regarded as *additional* grounds for, and thus a part of, the decision, or if it is to be taken as *obiter dicta*. Whether or not a part of the doctrine of the case, the discussion is most persuasive.

Taking up the argument of respondent's counsel (which was approved by the Appellate Division) that past legislative practice established a presumption in favor of its constitutional validity, Justice Pound said:

> Since 1921 a department of the state government, practically permanent in its functions, has been created by the legislature by conferring on its two chairmen functions of segregation and approval. Liberal appropriations are made for the expenses necessary in this connection. Other designations of members ex officio to act on boards and commissions have gone unchallenged. Good reasons suggest themselves for such inaction. Many such designations were free from criticism for the reasons hereinbefore stated, as being either private or truly special and temporary in character . . . or in part *quasi*-legislative. In others, the speaker of the assembly, or some other legislative officer, has been named ex officio as a minority member of a board composed largely of administrative officers, as was the case of the old board of trustees of public buildings. All questions of legislative eligibility in such instances have become stale with the lapse of time. *The custom does not amount to a concession of power to the legislature to control the expenditure of appropriations once and finally made, or to a practical construction of the constitution in favor of the legislation here questioned.*[1]

Referring to appellant's contention that the legislature disregarded Section 3 of Article IV–A when it inserted Section 11 in the governor's supplemental budget bill, the opinion continues:

> As we have already held that section 11 and similar provisions are void for unconstitutionality, the specific question is at present largely academic. If it were necessarily before us, an additional reason would appear for reversing the judgment below so far as it is affected by such provisions.[2]

But Section 11 is then held to be an alteration of the bill other than by striking out or reducing items therein, and therefore in conflict with Section 3 of the budget amendment. As to the governor's power to veto this item, if it had been properly in the budget, the learned judge said that: ". . . much force attaches to the contention that such a direction is one which the governor might veto." [3]

LUMP-SUM APPROPRIATION UNDER CONTROL OF DEPARTMENT HEADS

Having declared the segregation provisions attached to the budget bill by the legislature unconstitutional, the court apparently held, although again not necessary to the decision, that the governor may not attach to his budget bills clauses providing for segregation by himself alone, but that segregation of lump-sum appropriations must be left to the heads of the administrative departments concerned. Said the court:

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[1] *People* v. *Tremaine,* pp. 46–47. The total appropriations requiring segregation or approval by members of the legislature from 1921 to 1929 (both dates inclusive) is $466,122,677.22. *Brief in Behalf of Defendant-Appellant,* Appendix. (Italics are the author's.)

[2] *Ibid.,* p. 48.

[3] *Ibid.,* pp. 49–50.

> A fundamental question presents itself in this connection. If the legislature may not add segregation provisions to a budget bill proposed by the governor without altering the appropriation bill, contrary to the provisions of article IV-A, section 3, it would necessarily follow that the governor ought not to insert such provisions in his bill. He may not insist that the legislature accept his propositions in regard to segregations without amendment, while denying to it the power to alter them. The alternative would be the striking out of the items of appropriation thus qualified *in toto* and a possible deadlock over details on a political question outside the field of judicial review. The whole business of segregation seems to be a matter foreign to the budget appropriation bills, tending to prevent necessary appropriations for the support of government whenever the governor and the legislature are not in accord as to the manner in which lump-sum appropriations should be segregated.
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> . . . . .
>
> The result of our decision is that it devolves upon the heads of the departments to which the lump-sum appropriations of 1929 drawn in question in this action were made, excepting the appropriations for the state office site and building commission, to apportion and allot the funds under such appropriations in accordance with law, without the approval of the governor or the legislative chairmen.[1]

If this *gratis dictum* prevails, the attempt to centralize in the governor responsibility for the segregation of appropriations will have been defeated, and the budget amendment will be devitalized.

JUSTICE CRANE'S OPINIONS

Justice Crane concurred in the decision of the majority but for different reasons. Said he:

> The duty of the approval to segregation of the various sums appropriated required by the legislature is not the appointment to an office within section 7 of Article III of the constitution. It is, however, equally illegal by attempting to clothe members of the legislature with administrative functions after an appropriation has been made.[2]

That is,

> . . . when a member of the legislature is clothed with the duty of segregating lump-sum appropriations he ceases to act as a legislator and is performing executive duties, administrative functions which under our form of government is illegal.[3]

The most significant part of this concurring opinion, however, relates to the budget amendment, and furnishes, in the opinion of the writer, the most important ground for reversal.

> There are also other reasons for reversing the judgment below in its principal features. In adopting the amendment to the constitution now known as the executive budget, it appears to me that there was an attempt made in article IV–A of the state constitution to provide a new method, given in much detail, for the making of appropriations for the various departments of government. Whatever may have been done before, new methods were to be pursued upon the adoption of this amendment; laws in force at the time fell by the way—the constitution was to override all of the laws and start with a clean sheet.[4]

Therefore, Section 139 of the State Finance Law had no further application to the budget, and the lump-sum appropriations made by the budget bill were to be segregated by the heads of the departments concerned. Section 11 had no force or effect whatever, as it was not an item of appropriation within Article IV–A; if anything, it was an attempted alteration forbidden by this article.

It is to be regretted that the decision

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[1] *People* v. *Tremaine*, pp. 50, 52.

[2] *Ibid.*, pp. 59–60.

[3] *Ibid.*, p. 56.

[4] *Ibid.*, pp. 60, 61–62.

was not made to rest squarely upon the budget amendment—that the views of Justice Crane did not prevail. The people of the state are more interested in the meaning and effect of the amendments of 1925 and 1927 than in a constitutional section adopted in 1821 which, it appears, has been pretty generally disregarded. The position of the legislature in this controversy has been wholly untenable, and its uncompromising partisanship has been an object lesson in party government. For many years New York has had a Democratic governor and a Republican legislature elected by a Republican electorate that has supported the governor consistently on matters referred to it as a result of partisan deadlocks in Albany. Support of the principle of an executive budget has been nonpartisan outside of the legislature, but an ill-advised majority of that body has fought stubbornly to nullify the budget amendment of 1927; and when the Appellate Division of the Third Department joined the nullifiers, the friends of common-sense budgeting became apprehensive lest another amendment should become necessary in order to give effect to what had seemed to be a clearly expressed public will. That apprehension has not been fully allayed by the recent decision—that decision left too many important questions in doubt.

CLEVELAND WOMEN IN GOVERNMENT AND ALLIED FIELDS

BY RANDOLPH O. HUUS
Western Reserve University

Public service offers an expanding field for women, justifying college specialization in social science courses. :: :: :: :: ::

It has been customary for college women after graduation either to marry or to teach. A few bold spirits invade the professions and more enter the business world. The rapidly increasing number of college courses bearing on business and professional careers makes it easy for the woman undergraduate to secure a valuable background. After graduation she knows that opportunities exist in these fields. But what about the young woman who takes a liking to politics and government as professions? Let us assume that the institution she attends offers satisfactory preliminary training in the theory and practice of governmental work. She specializes in government courses, not neglecting economics and sociology. After graduation what can she do? With this problem in mind a recent survey [1] was made of positions women are holding in Cleveland that were concerned, directly or indirectly, with the work of government.

WHAT THE SURVEY INCLUDED

The investigation was limited to positions now occupied by women within the confines of Cleveland.

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[1] Survey made by Miss Lucille Elliott under direction of writer for the Department of Political Science, Western Reserve University.

Four major groupings of these positions were made: (1) those of a strictly governmental nature under the national, state, county and city units; (2) the teaching positions in the public schools including courses in civics, economics, sociology, history, and the more elementary subject called social studies; (3) positions with agencies supported by the Community Fund and, finally; (4) those with private civic organizations. The information sought concerning each individual position covered the title, term, method of selection, qualifications (legal or actual), and the major duties. With a very few exceptions no positions were considered with incomes less than $1,800 annually.

It was found that in Cleveland women were holding 296 positions in which a background in the social sciences and especially in government was important. About 55 per cent (162) of these positions were with the public school system and the remaining 45 per cent (148) with governmental units or with social or private agencies. Of these 148 jobs, eighty were strictly governmental jobs. Classifying these jobs we find that two are with the national government, twenty-four with the state, nineteen with the county, and thirty-five with the city. Positions with the county and city government account for two-thirds of the total number.

DISTRIBUTION AND TYPES OF GOVERNMENTAL JOBS

The distribution of these eighty positions among the legislative, executive and judicial branches of our government was as follows: administrative, forty-seven; judicial, twenty-eight; legislative, five The considerable number of positions of a technical and clerical nature in the court system is worth noting. These classifications are analyzed below in some detail to indicate the distribution among the various units of government and also something of the nature of the work.

With the Executive Department.—Of the forty-seven administrative positions one was with the national government, twenty-one were with the state, six with the county, and nineteen with the city. This makes the state the largest employer of women for administrative work, with the city a close second. The single position with the national government was a rather important one—manager of the Cleveland office of the department of commerce. In a coöperative capacity the incumbent was also secretary of the foreign trade department of the local chamber of commerce. About half of the state jobs were related to such activities as factory and building inspection, workmen's compensation and employment—for the most part inspectional and clerical in nature. Almost an equal number of women were employed as examiners with the bureau of inspection and supervision of public offices. They investigate the accounts of local boards of education. While their duties are often of a rather mechanical nature the opportunity exists for doing some genuine research work.

The nature of the six positions with the county varies greatly, including elections, taxation, health, and pensions. Of especial interest is the fact that a woman is the director of the delinquent tax office.

There is much less variety in the positions with the city government. Of the nineteen administrative positions, seventeen are with the policewomen's bureau. One of the remaining two is a junior clerk with the civil service commission and the other is commissioner of cemeteries. As far as variety of work is concerned the state and the county seem to offer more opportunity than the city government. All were appointive positions.

With the Courts.[1]—Of the twenty-eight positions connected with the courts, fourteen were with the court of common pleas and the probate court; thirteen with the municipal court and one with the federal district court. We find only one judge (municipal court) but four assistant prosecuting attorneys, one with the federal district court, one with the court of common pleas, and two with the municipal court. There are nine offices that would seem to demand of the incumbents a satisfactory background in the social sciences, especially sociology and social work. Seven of these are probation officers, the other two being a referee for the juvenile court and a psychologist, respectively. Most of the women of this group, however, are clerks, stenographers and bailiffs—fourteen of the twenty-eight. The positions are all appointive except the municipal judge, who is popularly elected.

With Legislative Bodies.—There are five women within the Cleveland metropolitan district who hold legislative positions. Of the five senators allotted to Cuyahoga County one is a woman; of sixteen representatives three, and of twenty-five members of the Cleveland city council, one—the ratios being 20, 19 and 4 per cent, respectively, with the poorest showing in the city council. Prior to the councilmanic election of November, 1927, there were three women in the council, but two of these, both independently inclined, were defeated for reëlection.

TEACHING AND LIBRARY WORK

Now we come to the school and library jobs. What opportunity exists in the Cleveland public schools for the teaching of government and the allied social sciences? Of one hundred and twenty-six women in the junior high schools, one hundred and fifteen are teaching social studies, two combine this course with English, seven teach history, while two others teach history with English or civics. This course in social studies is a composite one covering special assignments in history, geography, economics, sociology, and government, with some emphasis on local problems. Considering the emphasis given this course and the number of teachers employed, there would seem to be definite opportunities here for women properly grounded in the social sciences. In the senior high school there are thirty-six women teaching the social sciences. Of these, twenty-two teach only history while seven combine history with some unrelated subject. In three other cases history is combined with economics and in two cases with civics. Finally, there is one woman teaching economics and sociology. The large majority of these women teach history—the showing for government, economics, and sociology being quite unimpressive.

There are five major positions in the Cleveland Public Library that are of some interest. The chief librarian and the head of the main library are both women. In such positions, technical training, executive ability, and experience are essentials. However, considering the public nature of such offices, a preliminary college background in the social sciences, including history, should provide an excellent basis for such positions. More directly in the field of this survey are the three library division heads embracing history, sociology, and municipal reference respectively. Surely, all other things being equal, the college graduate specially trained in the social sciences and history should have the advantage in these fields over persons having only the requisite technical training and experience.

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[1] One of the judges of Ohio's Supreme Court at Columbus is a Cleveland woman not included in above survey because the position is a permanent one outside of city surveyed. This is probably the outstanding office in the state held by a woman.

WELFARE FEDERATION POSITIONS

The Welfare Federation embraces one hundred and ten agencies partially supported by the Community Fund's annual budget of over $4,000,000. In these activities women come into their own. Thirty-three positions were selected for analysis in which training in sociology and social work was essential and a background in the allied fields of psychology, government and economics valuable. The data gathered concerning these jobs indicated that the following types of academic and technical training were required in one or more cases: graduate diploma in social work, college major in sociology, special courses in public health, public health nursing degrees, and a knowledge of business methods and office routine. Most of these agencies were concerned with some aspect of public health; aside from this, specific agencies were concerned with problems of poverty, social maladjustment, recreation, and crime. Classifying these thirty-three positions by title we find seventeen secretaries, six head workers of social settlements, five directors, three psychiatric social workers and two supervisors. Actually thirty of the positions were largely executive or administrative in nature. They involved directing staff workers, taking charge of committees, meeting and coöperating with other groups and managing the office. Most of the executive work was of a rather varied nature but in a few instances, such as case-work supervision, it was quite specialized.

Many of the women did considerable work of an educational nature; it was necessary for them to know how to talk and write effectively. Some made investigations and prepared research reports on special assignments. The most common requirement was some degree of theoretical and technical preparation in the various aspects of sociology. The undergraduate preparing for work along this line might also with benefit take such courses in economics as labor problems and public finance, and such courses in political science as state and municipal government. The one agency in this group not concerned with the usual social-service activities is the Association for the Reform of Criminal Justice, whose director is actively interested in the improvement of local criminal-court and police methods.

PRIVATE CIVIC GROUPS

There are five women in Cleveland holding important positions with private civic groups. These women are professional secretaries and the work is largely executive in nature. The groups include the committee on city plan of the Chamber of Commerce, the Women's City Club, the local League of Women Voters, the Women's Council for the Promotion of Peace, and the Consumers' League of Ohio. What better background is there as a preparation for the first three positions than specialization in the field of local government—state, county and municipal, with allied courses in economics and sociology? Knowledge of international law and politics should obviously be required for the fourth position. Again in the position in the Consumers' League, a background in each of the divisions of the social sciences seems essential. While there are not many openings with civic groups of this type the positions are interesting, important, and fairly well paid, and colleges could provide the needed theoretical and technical training. Here, too, some knowledge of modern business methods would be worth acquiring.

QUALIFICATIONS

The data relative to the qualifications were secured for the most part from the present occupants of these positions, the remainder coming from laws, ordinances, and reports. Of the entire two hundred and ninety-six positions, only eighty-four definitely required a college education, about 28 per cent of the jobs. It would seem that all of the positions were such as to make an elementary background in the social sciences essential, yet the information secured indicated, on the whole, scant appreciation of this fact. These jobs seem as desirable and as well paid as the usual run of teaching or business positions that women college graduates accept, and some of them should be more interesting. In seventeen instances a business-college education was a requisite—in a great number of cases it was evident that of two equally prepared applicants the one with additional business training or experience would get the job. In sixty-three cases practical experience was stressed, possibly reflecting the attitude of the present incumbents. Civil service tests were given for fifty-four positions, or 41 per cent of the total (teaching positions excluded). All of the other positions were filled by appointment, except six that were elective.

SALARIES

Teachers in the junior high schools have a salary range of $1,350 to $3,300 per year, and in the senior high school from $1,500 to $3,600 annually. In the non-teaching jobs salary data was secured in eighty-two cases. The lowest salary was $1,000 annually and the highest $8,500. Between $1,000 and $1,500 there were two positions; between $1,800 and $2,100, twenty-seven; between $2,100 and $3,000, forty-five; between $3,200 and $4,000, four; and above $4,000, two. There are several other positions with salaries above $4,000, but it was not possible to get the exact figures. Most of these salaries (88 per cent) range between $1,800 and $3,000, while 55 per cent are between $2,100 and $3,000. Women have invaded the field of governmental, social and civic work as well as the old standby, teaching. Some of these positions merit the attention of women undergraduates who have no great hankering for teaching or business, but need or prefer to earn a living.

MANAGER CITIES IN ACTION

I. TWO WISCONSIN CITIES

BY ERNEST S. BRADFORD

New Rochelle, New York

In April, 1929, the charter commission of New Rochelle, New York, reported a city manager charter which was accepted by the voters in November. This charter was the result of more than a year's study of the workings of the plan in both large and small cities throughout the United States. During the drafting of the charter Dr. Bradford, who will be remembered as the author of "Commission Government in American Cities," visited thirty cities and observed their managers and councils in action. At our request he is preparing a series of articles, of which this is the first, giving the results of his survey. The material collected last year is being supplemented by current information in order that his findings may be up to the minute in every respect. The subject of next month's installment of this continued story of civic progress will be "Two New York Cities." :: :: :: :: :: ::

JANESVILLE, WISCONSIN

JANESVILLE is a prosperous manufacturing city of some 20,000 population located about ninety miles from Chicago on the banks of the Rock River. It serves as the distributing center for a rich farming area of southern Wisconsin and is at the same time the home of the Parker fountain pen manufacturing plant, one of the Chevrolet automobile factories, and a string of minor industries.

Janesville in 1912 gave up mayor-council government in favor of the commission form, and for the following six years operated under a commission whose motto was, "Keep taxes low." Dissatisfied with its lack of business growth under this policy, the city returned to the mayor-council form in 1918; but once more disappointed with the inefficient government which resulted, it turned to the council-manager form, which it adopted in April, 1922, by a vote of 3,098 for to 2,387 against.

The new plan went into operation in 1923. Seven councilmen elected at large replaced fourteen ward aldermen, two from each of seven wards. The number seems to have been a compromise, designed to please those who had still in mind the old ward lines.

The choice of the first council for manager was Mr. Henry Traxler, an engineer, who had previously been city manager of Clarinda, Iowa; he took office in September, 1923. He made few sweeping changes among city officials and employees, retaining most of those who were in the city service, on the understanding that they should remain as long as they were loyal and efficient public servants.

When the opposition, two years later, elected three members of the council, it was feared that there would be a change in the manager, but he appears to have held the confidence of both groups and has remained.

His recommendations are given much weight by the busy councilmen. According to well-informed persons whom I interviewed, the city has made exceptional progress in the past five years.

The most important results secured under the manager have been:

(a) Reorganization of the city departments, consolidating under one head offices formerly separately organized and operated, such as the assessor's office, the city treasurer, city clerk's office, and the water department, which were all grouped together under the department of finance.

(b) A more sensible and comprehensive planning of street construction and other engineering work, looking ahead to the future needs of the entire city.

(c) Careful attention to the city's interest in keeping down the cost of supplies and the charges for service. Shortly before the old contract with the lighting company was to expire, the city manager secured an estimate of what it would cost if the city produced its own light, and when the lighting company at the expiration of the period stated that it would have to raise the rates for street lamps the city manager told them that he could produce the current at a figure as low as the existing rate or lower, whereupon the company renewed the contract at the old rates.

"The fact that all of the councilmen are elected by the entire body of voters and not by wards has given us higher-grade men than formerly," said a lawyer who has lived in the city for more than twenty years; "one of the most marked features of their work has been their intelligent planning, with the coöperation of the manager, for the future needs of the city. There is not much difference in the degree of state or national partisanship seen in local elections, for there has never been much of this in this city. Financial management has been better and the tax rate has been reduced steadily since 1923. No one thinks of going back to the old, inefficient mayor-council government."[1]

RHINELANDER

The city of Rhinelander, Wisconsin, a northern manufacturing city of 6,654 people, according to the census of 1920, has had a city manager since 1926, when the new form first went into effect. Rhinelander has three sawmills and veneer-making plants, and a large paper mill, and is the center of a considerable trading area. Its streets are well kept and its residential area is attractive.

The city manager plan was adopted in an effort to get away from the unsatisfactory financial conditions which previously existed. When the new council of five, elected at large, replaced the old ward council of twelve, it employed George Garrett, a western engineer, as the first manager.

Before Garrett was well started, friction developed between council and manager, and he resigned after four months to become manager of a city in Oregon. He was succeeded by Charles Grau, an engineer whom Garrett had

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[1] The tax rates for the years 1921 to 1928 have been as follows:

1921	25.89
1922	21.97
1923	26.76
1924	26.62
1925	24.88
1926	22.20
1927	22.00
1928	22.00

The author has not yet had opportunity to analyze these figures in order to determine how much more the city has secured for its tax dollar than formerly, which is so frequently the case under efficient managers.

brought in to help him. Grau handled the reins very satisfactorily until the spring of 1929, when he resigned to accept a better position with the local gas company. Theodore M. Wardwell took his place and is the present manager.

Under the managers, city affairs are reported to have been handled much better than under the old form. "The city was in a bad way financially," said the president of a local bank, "bonded to the limit, and behind in meeting current expenses, which it tried to do by collecting taxes in advance. This being insufficient, the city issued short-term obligations, of which it had $200,000 outstanding at the time the manager plan went into effect. The effect of the new administration was to centralize purchasing under a single head, with the result that there has been a marked financial saving. The short-term indebtedness has been cut in three years from $200,000 to $70,000 and will be further reduced during the present year.

"The budget means something now as a limit of expenditures; formerly, it was only a scrap of paper; the council used to appropriate additional amounts, after the original budget had been passed, without much thought as to the funds available to meet the proposed outlays."

The streets are said to be in about the same condition as they were, most of the paving having been done prior to the coming of the manager. There has been little need for new paving since and little has been done.

Snow removal is better than formerly, an important matter in a northern city with frequent heavy snowfalls.

The police and fire departments are about as before.

Larger water mains have been laid within the past two years to serve the industrial plants; insufficiency of water supply was responsible for the loss by fire previously of one of the large manufacturing establishments in Rhinelander.

When the manager plan was first inaugurated an entirely new council was elected and most of its members have since been reëlected. The president of the council is now serving his fourth year; there is no member of the present council who has not been reëlected one or more times. The term of councilmen, one year, is regarded by many as too short, and the fact that all of the terms expire at one time is held to be open to the objection that a political upheaval might at some time replace the entire council with men unfamiliar with city affairs. This is less likely to happen than formerly, since public confidence in the council has increased to a point where the voters sometimes reëlect the entire group of councilmen, as they did in 1929.

The managers have not changed greatly the personnel of department heads and city employees. The same police chief is in charge as was here before the change; the present fire chief is the former assistant chief, who became head when the old chief retired. There is a new city clerk who replaced the old one when a better job was offered the latter. There is a new city treasurer. The man in charge of water works is the same as before. The improvements under the managers have been secured largely by adopting better methods rather than by changing the administrative personnel. "There was not a single city employee discharged," said the editor of the Rhinelander *News*, "when the new manager came in."

There has proved to be no basis for the fear that all the council would come from one district or ward, and so fail to look after the interests of the other sections. "Two of the council are from the south section of the city, three from the central-eastern section. There is no one of the council at present who lives on the west side," said the same editor, "but the council has given that section improvements which they never could have got under the mayor-council form—street lights, sewers and water mains."

The cashier of a large bank also cited the reduction of the city's floating debt as an indication of improved financial management under the managers; he was emphatic in favoring the new form. A lawyer who was disposed to be critical of the existing council as having provided no proper water-filtration system, which he said is greatly needed, believes that the manager idea is sound, but that the administration is not as efficiently handled as it might be. He spoke of the council, however, as consisting of more competent men than formerly. A former mayor did not believe that the city is doing better under the managers; a hardware merchant criticized the police for not catching robbers who had broken into his store twice, recently. The opinion of the majority of those interviewed was that conditions are much better than formerly and that public sentiment is strongly favorable to the council-manager government.

MUNICIPAL GOVERNMENT IN SOVIET RUSSIA

III. MUNICIPAL FINANCE

BY BERTRAM W. MAXWELL
Washburn College

This is the third and last of a series of articles on the government of Russian cities, the previous articles having appeared in the December and January issues of the REVIEW. :: :: :: :: ::

THE present municipal financial system of Soviet Russia dates back to 1925. Previous to that time the financial affairs of the city soviets were entirely merged with those of the higher soviets. In 1923, however, a Financial Decree was promulgated which extended to municipal organs the right to coöperate in the preparation of the budget, but since the cities had no administrative machinery of their own,[1] this grant of authority had but slight practical significance.

THE FINANCIAL DECREE OF 1925

Early in 1925 the Union Central Executive Committee issued a Financial Decree which laid down general principles governing the field of local finance and taxation, leaving, however, the working out of the details to the constituent republics. Soon after, the Central Executive Committee of R. S. F. S. R. issued a Financial Decree based on the Federal Enabling Act, which regulated in detail the entire matter of municipal finance. But these provisions were such as to reduce considerably the scope of municipal administration of finances defined by the Municipal Act of 1925, which authorized the city soviets to frame and confirm their budgets.[1]

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[1] See writer's article on *Municipal Government in Soviet Russia*, in NATIONAL MUNICIPAL REVIEW for January, 1930.

In contrast to the latter provision, the Financial Decree makes it mandatory upon the city soviets to present their budgets to the executive committees of the higher soviets (county or provincial, as the case may be) for examination, review, audit, and final decision. Indeed, the higher soviets are given a wide range of authority, so that the examination of municipal budgets is by no means a mere formal compliance with the law, for the higher soviets may rigidly curtail the income of municipalities by denying them the right to certain taxes, surtaxes, and other sources of revenue. Furthermore, the law authorizes the executive committees to use their own discretion in making or recommending changes in city estimates, especially if those changes are deemed necessary for the purpose of equalizing of income and expenditures.[2]

The authority of the higher soviets over city soviets is further augmented by the provision of the law giving the right to decide whether certain properties are to be assessed for city or county taxation, and coupled with this right is the delegation to the higher soviets of a general supervisory authority in the matter of tax collection.[3]

SOURCES OF REVENUE

Within these limitations cities are assigned the following sources of revenue:

I. Taxes, subdivided as follows:
   1. Tax on business buildings.
   2. Tax on dwelling places.
   3. Tax on transportation.
   4. Tax on amusements.
   5. Tax on live stock and raw animal products.

II. Surtaxes:
   1. On state business and trade taxes.
   2. On state income tax.
   3. On state tax levied on agricultural lands within city jurisdiction to an extent of not less than 40 per cent.

III. Surcharges:
   1. Surcharges on fees paid to the state for licenses to sell alcoholic beverages and tobacco within city limits.
   2. Surcharges on state notarial fees.
   3. Surcharges on municipal court fees.

IV. Other sources of revenue:
   1. Rents from dwelling places, business buildings, market places, and other establishments.
   2. Earnings from city lands, parks, and other similar property.
   3. Rents received for trading space on public squares, markets, streets, promenades, beaches, etc.
   4. Earnings from municipalized economic-commercial enterprises.
   5. Rents from municipal real estate.
   6. Revenue from enterprises and undertakings especially assigned to municipalities for that purpose.
   7. Parts of profits from state insurance, especially designated by law.
   8. Interest on municipal funds.
   9. Sale of superfluous city property.
   10. Surpluses remaining from the previous year.
   11. Back taxes.
   12. Profits from stocks in banking institutions and other corporations.

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[1] See writer's article on *Municipal Government in Soviet Russia,* in NATIONAL MUNICIPAL REVIEW for January, 1930.

[2] From the above statement, it may be deduced that the city soviets have only nominal authority in budget making, the real power being lodged with central authorities.

[3] City soviets may, however, appeal rulings of higher soviets to central authorities, but while action is pending, appealed decisions are not suspended. The Financial Decree designates in detail the classes of taxpayers and those exempted or granted reduction of taxes.

13. Regular and special grants and aids from state funds.
14. Income from special funds and endowments, and stated contributions from institutions and organizations.
15. Loans.[1]

SUBSIDIES

Subsidies and aids are generally granted by the state for the support of educational, medical, and agricultural personnel in schools, hospitals, etc. The subsidies are increased or decreased in accordance with the financial condition of a given municipality. The ultimate decision as to the grant and the amount of the subsidies lies with the executive committees of the province and county in which the cities are located. In exceptional cases municipalities may receive donations from the state to balance their budgets, provided they are entirely unable to raise funds themselves. Municipalities also have access to special funds and endowments of coöperative building associations and the fund in the name of V. I. Lenin, which is especially designated for the care of homeless children. Finally, there are two types of emergency funds, viz., federal and local. The federal emergency fund is made of surtaxes to federal taxes and of stated sums subtracted from provincial, county, and municipal income and are under the jurisdiction of the executive committees. Both emergency funds are to be used only in cases where municipalities have given absolute proof of being unable to balance their budgets. This aid, however, is very seldom granted, and the municipalities applying for it are subject to a most rigid inspection.[2]

EXPENDITURES OF CITIES

Expenditures of cities may be subdivided into the following general items:

1. The support of city soviets, their presidia, and subdivisions of departments of the higher soviets designated for municipal work, municipal courts, prosecutors, and juries.

2. Payment of salaries of city militia (police). Expenses in connection with criminal investigation, the upkeep of city jails, detention homes, communal buildings, properties, undertakings, welfare agencies, and fire departments.

3. Organization, equipment, and upkeep of lower professional technical schools for the city population; short technical courses for adults, elementary schools, children's homes; kindergartens, schools for adolescents, and institutions for civic training, libraries, clubs, schools for adolescent and adult illiterates, and persons who are about to be called for military service, schools of political grammar,[3] city hospitals, clinics, first-aid centers, etc.

4. Expenses in connection with museums, art galleries, theatres, expositions, archives, and the organization of excursions for cultural educational purposes.

5. Support of various municipal sanitary organizations and undertakings, prophylactic measures against social and contagious diseases, and activities for the suppression of prostitution and pauperism.

6. Expenses in connection with measures to safeguard motherhood, infancy, and children's health in cities.

7. Support of homes for the disabled, and their training.

8. Grants and subsidies to various local organizations for mutual help and expenses in connec-

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[1] City soviets may negotiate with state coöperative institutions, and private persons in the Soviet Union and abroad; the latter, however, is out of the question at present. They may also issue bonds and certificates of indebtedness.

[2] Some Bolshevik municipal authorities suggest that the following sources of revenue should be transferred to cities:

Profits from mineral resources within the jurisdiction of the cities.

Parts of profits from state enterprises which have been delegated to city management.

Taxes on incoming and outgoing freight, transported by rail or water.

Fees paid on business transactions on various exchanges located in city territory. See Chugunov, *Gorodskiye Sovety*, pp. 145–147.

[3] Special schools for the study of history, civics, and social ethics from a Marxian standpoint.

tion with payment of pensions to war veterans, their families, and the dependents of those killed in battle.[1]

9. Support of veterinary organizations and measures for the eradication of contagious diseases among domestic animals.[2]

The following municipal expenditures are paid from county funds:

1. Expenses in connection with soviet elections.[3]
2. Organization, equipment, and support of institutions for mothers and infants, maternity hospitals, and hospitals for social diseases.
3. Disbursements in connection with the operation of agricultural and horticultural experiment stations.

The provincial funds finance the following undertakings:

1. The support of intermediary-technical schools which are not financed by the state.
2. Teachers' training schools and conferences.
3. The organization, equipment, and support of psychopathic hospitals, surgical, and ophthalmological institutions, health resorts, convalescent homes, sanatoria, bacteriological institutes and laboratories, meteorological stations, various hydro-therapeutic sanatoria, agricultural and agronomic expositions and courses, dormitories and feeding stations for unemployed and quarters for troops.

MISCELLANEOUS EXPENDITURES

The city soviets must make the following provisions: the payment of loans and interest on indebtedness, sums designated for special funds, the meeting of unpaid bills of the previous year, capital to be used in the organization of local banking institutions and corporations, the necessary legal reserve constituting the emergency fund, and medical care of insured persons.[4] The law permits the city soviets to include in the budget an item for unforeseen expenditures; this must not, however, exceed three per cent of all disbursements. The city funds are administered by the financial agencies of the executive committee [5] and must be deposited with sub-treasuries of the commissioner of finance.

Municipal finance, like all other phases of city administration in Soviet Russia, is still in the experimental stage. No doubt in time the central government will learn by experience that detailed control of all local activities tends to destroy initiative and eventually reacts disastrously upon city welfare. However, it is fair to state that times are not ripe as yet in Soviet Russia to permit urban communes an existence unfettered by strict supervision, and frequently even petty interference from above. No doubt as the years go by Russian cities will demand and obtain governmental status commensurate with their responsibilities.

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[1] The state supplies part of the funds for this purpose.

[2] The Financial Decree instructs executive committees to authorize city soviets to widen and extend their fields of activity only in proportion to the increase of their financial resources.

[3] This does not apply to the expenses in connection with the election to the city soviet itself, but to congresses of soviets only.

[4] These accounts are kept separate and are not included in the budget.

[5] The practical administration of the funds is in the hands of the directors of the municipal branches of the executive committees. (See writer's article on *Municipal Government in Soviet Russia*, in NATIONAL MUNICIPAL REVIEW for January, 1930.)

RECENT BOOKS REVIEWED

Registration of Voters in the United States. By Joseph P. Harris. Washington: The Brookings Institution, 1929. 390 pp.

This book offers a practical solution of one of the greatest problems connected with election procedure at the present time, and should be carefully studied by everyone interested in the prevention of fraud and increased efficiency in this important governmental function. While considerable progress has been made during the past decade towards improvement of the electoral system, until recently very little thought has been given the subject of registration, but it has now come to be a recognized fact that elections cannot be properly safeguarded without an adequate system of enrollment for those qualified to vote.

With the exception of a few instances where progressive measures have been taken to improve registration conditions, most of our states and major cities are still operating under antiquated systems of various forms and descriptions, and Dr. Harris' work, in addition to much interesting and carefully prepared comparative data, sets up a very practical system and a standardization of registration methods which could be made applicable in principle throughout the country.

Believing that public affairs should keep pace with modern business methods, Dr. Harris, after an extensive survey and analysis of existing conditions, has evolved a standard system for the permanent registration of voters. Through training and wide experience he is eminently well qualified to undertake this important work, and the practicability of the methods he advocates is evidenced by the fact that permanent registration is now operating successfully in several of our states and larger cities, Ohio and Michigan being the latest converts. The legislatures of these two states adopted permanent registration codes, modeled after Dr. Harris' plan, which become effective in 1931 and 1932 respectively. This book cannot be recommended too highly to those interested in public affairs generally, and particularly to officials and civic organizations concerned with improved election standards.

O. E. Distin.

Chief Supervisor,
City Election Commission, Detroit.

Principles of Judicial Administration. By William F. Willoughby. Washington: The Brookings Institute, 1929. xxii, 662 pp.

Professor Willoughby has written a very useful book. It is a review of contemporary aspects of judicial administration in the United States from the standpoint of, and essentially for the use of, the political scientist. It enters both the civil and the criminal sides of the subject and describes with reasonable detail the most important current problems in administration, the changes that seem to be taking place and various proposals for reform. As Professor Willoughby states in the preface, the book presents a considerable number of quotations from the best recent literature of the subject. An extremely valuable bibliography is attached which in itself would be adequate justification for the publication of the book. Where the author has himself undertaken to discuss the subject matter the style is lucid and the selection of illustrations apt.

The book begins with several chapters under the not-quite-appropriate title of "Prevention" which discuss the prevention of crime, administrative justice, conciliation, arbitration, declaratory judgments and advisory opinions. The reason for the selection of the general title is that crime and litigation are of the same species of undesirables—a highly debatable point. Part II is "Enforcement" and in the main is a description of those agencies largely in the field of criminal justice which concern the preparation of cases for trial, such as the prosecutor, police, coroner, grand jury, and preliminary hearing. Part III concerns the courts as an administrative system. Part IV discusses the selection of judicial personnel and the problems connected with judicial tenure. Part V is called "Procedure," in which there are treated certain procedural rules which have been subject to discussion in recent criticisms of the courts and also the jury as an institution. Quite appropriately the book ends with a treatment of "Legal Aid" considered as a problem involving the ways and means by which the service of judicial government may be invoked by all sorts and conditions of citizens upon fairly even terms. It would be easy to quarrel with the selection of subject matter in any book which attempts to cover so much of life as is included in such a title.

When selection becomes necessary, private judgments will differ. My own judgment is that Professor Willoughby has made an admirable selection of subjects and has performed intelligently the incredibly difficult task of classification.

Professor Willoughby states in his preface and makes the dominant note in his book the proposition that judicial administration is just a plain question of doing things, with regard to human relations, through governmental agencies. In this respect he sees it as no more recondite than supplying pure water to a city or any other problem of governmental administration. This sort of treatment is distinctly valuable, and perhaps because it is so simple, most unusual. In bringing this fresh attitude to bear upon a question which legalism has traditionally obfuscated, Professor Willoughby has distinctly added to the understanding of things temporal and useful. He has moreover followed the method of political science beyond this point of clarified description into the realm of reform by reconstruction. Perhaps this is a lesson that our lawmakers and those who elect them should learn. Certainly the past twenty-five years of political science have contributed a great deal to the simplification of the administration of government. It can probably make an equally valuable contribution to the administration of justice.

RAYMOND MOLEY.

Columbia University.

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AMERICAN CIVIC ANNUAL, Vol. I, 1929. Washington, D. C.: American Civic Association. 288 pp.

In this first three-hundred-page book, the American Civic Association sets a milestone of progress, both in its own affairs and in the municipal, state and national efforts towards physical perfection. Ten years ago much that may now call for annual chronicling scarcely existed. The purposes of the association, as originally presented, in 1904, are "the preservation of outdoor beauty with the attendant promotion of landscape art and the civic improvement of towns and cities." It has had a prominent part in bringing about the progress which has been made in these fields, particularly in the last decade.

The special projects of the association—control of billboards, preservation of Niagara Falls, planning of the Federal City, maintenance of high standards in the selection of national parks, preservation of roadside beauty—are all recorded in some detail as being in a healthy condition, with further progress certain. To round out the picture, authoritative articles are included on all the principal phases of national and state recreational and forest lands and the progress of regional and of city planning, the latter subdivided categorically into "building projects, park and garden progress, civic progress, two famous street associations, and new towns and subdivisions." A unique feature is a "Who's Who in Civic Achievement" setting forth the activities of each of the association's members.

While this first annual has had perforce to chronicle broadly the progress in many fields during many years, future numbers may be expected to give more detailed accounts of actual accomplishment in a single year on specific projects. The book furnishes a valuable service to the practitioner and members of official and unofficial committees and an inspiration to all who are in any way awake to the achievements of the present day.

ARTHUR C. COMEY.

* * *

SUFFRAGE AND ITS PROBLEMS. By Albert J. McCulloch. Baltimore: Warwick and York, 1929. 185 pp.

This little volume contains a summary of the suffrage changes which have taken place in this country from the very earliest times. It is based primarily upon the colonial charters and the state constitutions. The secondary material which the author uses in interpreting these changes is, unfortunately, out of date. He cites no book which was published after 1918 and most of his magazine references date back to the nineties. The author's failure to consult recent materials leads him into several glaring errors. Here is an example: (p. 162) "While suffrage has reached its widest extent in America, yet a larger per cent of the qualified electors vote in the United States than elsewhere." This might have been true in the eighties, but it has not been true during the past thirty years.

The Negro, the woman, and the foreigner are the suffrage "problems" which the author discusses. Why the woman is a suffrage problem, it is hard to see. The author simply gives a statutory history of woman suffrage. In discussing the other two problems, the author naïvely displays his own prejudices. The book is obviously written by a white, Protestant, Anglo-Saxon, conservative, who would be supported by the Ku Klux Klan and the Chamber of Commerce if he ran for office. The author's prejudices lead him to make many statements which are not capable of proof. One of these (p. 143) is the following: "The core of the evil (city misgovernment) is the foreign voter."

In spite of the inaccuracies regarding the operation of the suffrage and in spite of a repetitious and homiletical style the author has given a useful compilation of constitutional provisions regarding suffrage.

Harold F. Gosnell.

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The Governance of Hawaii. By Robert M. C. Littler. Stanford University Press, 1929. 281 pp.

Professor Littler starts with an indictment of American political scientists when he says, "I could locate in the standard texts on American Government only a few brief descriptive paragraphs about Hawaii, and these paragraphs had been so obviously copied one from another that there had resulted an intellectual inbreeding which perpetuated some rather patent errors."

Professor Littler has done well his professional duty in giving us this systematic, scholarly, readable, and quite sympathetic description of the organization and functioning of government in our mid-Pacific territory. For the benefit of the American reader there is an excellent brief account of the geography, climate, ethnology and history of the islands in the first few chapters. There is an interesting chapter on the constitutional status of Hawaii as a part of the Union. There are ten chapters on the territorial government, two on the government of Honolulu, and one each on county government, the federal government in Hawaii, and "An Appraisal."

This very productive archipelago in a salubrious, sub-tropical climate is politically unique because of its racial situation, having a population of 134,000 Japanese, 60,000 Filipinos, 37,000 Americans and north Europeans, 29,000 Portuguese, 25,000 Chinese, and only 21,000 Hawaiians.

It is this most interesting political situation that Professor Littler has presented with such rapidity and sympathy after several years of study in the archipelago while teaching political science at the University of Hawaii. An idea of the sheer interest of the book may be gained from the following paragraph:

"Meetings of the legislature are gala events. At the first session there is always much music and there are many 'leis.' Hula girls are there to dance. Even during the session it is not uncommon to devote a few minutes after the morning prayer to some good singer or dancer, and the legislators frequently join in the festivities and exercise their vocal and terpsichorean skill."

This "formal" occasion fits in naturally with Professor Littler's description in Chapter I of the Hawaiians as a people who "decline to take life seriously, insist on having an easy and pleasant time on this earth, and feel sorry for those who do not do likewise."

The only item of government ignored in the book is that of the village. The author has not told us who provides the human touch in the small community as does the "barrio teniente" in the Philippines.

In referring to the attitude toward American sovereignty to be found in Hawaii as contrasted with that in Porto Rico or the Philippines, Professor Littler concludes, "The explanation of this phenomena must lie outside the field of political behavior." Apparently it has not occurred to him that a century of independence agitation in a Spanish colony creates a magic shibboleth of "independencia" in the minds of the "dependent" peoples, whereas the "independent" Hawaiians of 1890 had no such illusions as to the magic of "independencia." Furthermore, a relatively homogeneous people like the Porto Ricans or the Filipinos readily evolve a racial egotism that does not arise spontaneously among a *minority* group of aborigines. The blatant urge to self-realization does not arise so readily in the immediate presence of an overwhelmingly superior mass of alien population.

We would be fortunate indeed if other American political scientists should write up our other "outlying possessions" as accurately and sympathetically as Professor Littler has "done" Hawaii.

O. Garfield Jones.

ELECTRICAL UTILITIES: THE CRISIS IN PUBLIC CONTROL. William E. Mosher, Editor. New York: Harper & Brothers, 1929. 335 pp.

This study was made under the auspices of the School of Citizenship and Public Affairs of Syracuse University. With the exception of a single chapter on holding companies, the book has been produced by six members of the teaching staff of that university under the leadership of Professor Mosher. The authors collaborating in the writing of the book are interested in various fields: economics, engineering, politics, sociology, psychology, and law. In spite of these varied interests, they have succeeded remarkably well in unifying their work, so that we have a distinct contribution to the literature dealing with utilities.

Although the book centers about the electric utilities, many of the problems discussed at length are equally important in other utility industries. To that extent the title is misleading, for the contents of the book are much broader; they are, perhaps in the main, of equal or considerable applicability in the entire field of utility control.

The authors evidently did not allow themselves to be burdened with any preconceived notions and dogmatic beliefs. They have made only a single assumption, or, more correctly, they allowed one implication to be drawn—namely, that it is desirable to control utility services. But they do not hesitate to declare that it is quite possible that we may witness an abandonment of such control altogether in the future.

The crisis, as they visualize it, consists in the halting, piecemeal, haphazard actions, or lack of action, among those who are charged with utility control, and the seeming indifference of the public generally to the problems that have arisen since modern utilities and their control have come into being. They see utility control confronted with a parting of the ways. At one extreme we have the possibility of public ownership and management; at the other, absolute private exploitation for profit. Whether one of these two extremes is to gain the upper hand for the next fifty years, or whether a mean between them, public control, will be continued, depends on the policy pursued by commissions, legislatures and courts in the near future.

The book is divided into two parts: Part I contains a wealth of data relative to the capacity, utility, consumption, etc., of the electrical industry, as well as an outline of the difficulties under the present system of control. Both of these lead to the conclusion that we are at the point where decision is essential.

Part II "is devoted to a consideration of various types of public control that might contribute to the solution of the crisis described in Part I." However, this part is not confined entirely to mere abstract discussion of comparative methods.

An appendix shows, in tabulated form, the organization, salaries, powers, etc., of the various utility commissions, which should be handy for reference purposes.

As the book does not propose any cut-and-dried solution, the reviewer is not obliged to agree or disagree with any particular thesis. One may, perhaps, doubt that we have reached a critical period in utility regulation, to the extent that whatever action, or inaction, is pursued in the immediate future will necessarily decide public policies toward the utilities for the next fifty years. The reviewer has a lurking suspicion that we may continue to muddle through, democratic fashion, just as we have been doing, for quite some time to come, and yet not really take a definite step in one direction or another.

But the value of the book is not to be looked for in any particular thesis. It contains information and analyses that are almost indispensable to the student of regulation. It should also prove useful for collateral reading and reference purposes, to teachers and students of public utility courses.

NATHANIEL GOLD.
The College of the City of New York.

REPORTS AND PAMPHLETS RECEIVED

EDITED BY WELLES A. GRAY

Assistant Director, Municipal Administration Service

City Planning.—By John Nolen, New York, 1929. Pp. 513. Here is the second edition of this well known volume in the National Municipal League Series. With the exception of one or two revisions and the addition of two new chapters, it is practically identical with the first edition. Chapters on Zoning by Edward M. Bassett, and Regional Planning by John Nolen have been added. The chapter on City Planning Legislation has been entirely rewritten and brought up to date by Alfred Bettman, as has the introduction by Frederick Law Olmsted. It is regrettable, however, that some of the other chapters, and more particularly the various bibliographies, were not revised in the light of developments since 1916, the original date of publication.

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A Guide to Material on Crime and Criminal Justice.—By August Frederick Kuhlman, New York, The H. W. Wilson Company, 1929. Pp. 633. This is a descriptive listing which brings together, as far as is possible, essential data on the more important published materials on crime and criminal justice. Its object, to quote the preface, is twofold: "First, to index, describe, and classify as completely as possible, existing materials on crime and criminal justice in the United States, in a single volume; and second, to show by means of the Union List Library symbols, libraries in which the research student may gain access to this material." It lists 13,276 separate monographs, books, pamphlets, and magazine articles on crime and its punishment, issued through 1927. A most important contribution, not only to the literature of criminology, but also to the growing list of bibliographical materials on special phases of public administration.

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Municipal Beverage Ordinances.—By Ford H. MacGregor, Municipal Information Bureau, University of Wisconsin, Madison, October, 1929. Pp. 33. (Mimeographed). This treatise deals with regulating and licensing the sale of beverages in Wisconsin cities. Three aspects of this problem are discussed: the enforcement of federal prohibition, the regulation and sale of non-intoxicating liquors containing less than one half of one per cent of alcohol, and the sale of soft drinks, containing no alcohol whatsoever. The authority of cities to enact such ordinances is the main topic of discussion. It includes a collection of representative beverage ordinances now in force in Wisconsin, and a table which sets forth the essential provisions of these ordinances in force in 38 cities.

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Protection of Electrical Circuits and Equipment against Lightning.—Preliminary report of the Sectional Committee on Protection against Lightning. Miscellaneous Publication, Bureau of Standards, Washington, D. C., No. 95. September 12, 1929. Pp. 107. This study will be of particular interest to persons having to do with building codes and light and power plants. It sets forth tentative conclusions, as reached by the committee, and presents them for criticism and suggestion.

*

A Guide for Preparing Annual Police Reports.—By the Committee on Uniform Crime Records, International Association of Chiefs of Police. Revised edition. December, 1929. Pp. 36. The first edition of this *Guide* was issued in 1928.[1] Since that time the committee has completed its study, *Uniform Crime Reporting*, and as a result of that study certain modifications and changes were found to be necessary in the *Guide*. Hence this revision, which was published simultaneously with *Uniform Crime Reporting*. It is based upon the kind of records now maintained in many departments, and is designed to facilitate uniform crime reporting throughout the United States.

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A Playground Handbook for Chamber of Commerce Executives.—By the Civic Development Department, Chamber of Commerce of the United States, Washington, D. C., July, 1929.

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[1] See NATIONAL MUNICIPAL REVIEW, April, 1929, p. 257.

Pp. 72. A handy manual which contains much pertinent and valuable information on playgrounds, their value, methods of acquisition, equipment, layout, etc. A draft enabling act and model playground ordinance are included. There is a bibliography.

⁂

Quarterly Bulletin of Recent Publications on Municipal Government and Administration.—By the Reference Department, Oakland, California, Free Library, December, 1929. Pp. 15. (Mimeographed). A compilation of recent books, pamphlets, and magazine articles on various specialized phases of city government and its administration.

⁂

Annual Report of the United States Civil Service Commission.—By the Commission, Washington, Government Printing Office, 1929. Pp. 140. This report is of particular interest in view of two developments in the federal civil service during 1929, the completion of the examinations for the personnel of the Bureau of Prohibition and the fingerprinting of federal employees. Of general interest is the story of how one of the largest employers in America handles the problem of recruiting personnel.

⁂

The Cost of County Government.—By the Board of Wayne County Auditors, Detroit, September 30, 1929. Pp. 19. This is an analysis of the budget for Wayne County (Detroit), Michigan, covering the years 1925–1929. Its intent is "to indicate the purposes for which county funds are being expended and the general trend of such expenditure during the past four years."

⁂

Through Streets.—By the National Safety Council, Chicago, 1930. Pp. 46. Here is a long needed discussion of an important phase of traffic regulation. The advantages of through streets are fully discussed, as are also the things that such streets will not accomplish. Planning and designing these streets, and the various ways and means of establishing them are given full treatment.

Procedure and Time Required to Authorize Loans of the City of Philadelphia.—By the Bureau of Municipal Research of Philadelphia, November, 1929. Pp. 50. (Mimeographed). This report traces all loans of the city from their inception to their authorization. It discusses electoral, councilmanic, emergency, and other loans. Three appendices give a condensed time schedule for the enactment of loan ordinances, the provisions of the state constitution relating to municipal loans, and the provisions of the "charter" of Philadelphia on this subject.

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The Regulation of Minor Highway Privileges in Cincinnati.—By the Cincinnati Bureau of Governmental Research, May, 1929. Pp. 59. (Mimeographed). This report takes up in detail the whole problem of minor highway privileges. Although it deals specifically with Cincinnati, there is much in it that would be applicable to any city. Of particular value are the recommendations for levying the charges for these privileges.

⁂

The Sinking Fund of the County of Hamilton.—By the Cincinnati Bureau of Governmental Research, July, 1929. Pp. 13. (Mimeographed). A study of the sinking fund of Hamilton County (Cincinnati), Ohio. It includes an evaluation of the moneys now in the fund, and a thorough analysis of its administration.

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An Analysis of 11,180 Misdemeanor Cases.—By the Cincinnati Bureau of Governmental Research, January, 1930. Pp. 21. (Mimeographed). This analysis is of immense value to all criminologists and students of law enforcement. It covers all arrests for misdemeanors during the six-month period, January 1 to June 30, 1929. It shows, in tabular and graphic form, the distribution of cases according to offenses charged, color, employment and unemployment, age and residence. Arrests by hours and by days of the week, and the disposition of the cases in the municipal court are also given.

JUDICIAL DECISIONS

EDITED BY C. W. TOOKE

Professor of Law, New York University

Streets and Highways—Prohibition of Parking in Congested Districts.—The extent of the control which city authorities vested with the power to regulate traffic may exercise has been clearly defined by the Supreme Court of Illinois in the recent case of *Haggenjos* v. *Chicago*, 168 N. W. 661. The case came to the court by an appeal from the conviction and fine of the defendant for parking an automobile in the loop district, as to which the city ordinance provided that no person owning, controlling or operating any vehicle should cause or permit it to stand on any public street or alley between the hours of seven in the morning and six-thirty in the evening, except upon Sundays and holidays. Proper exceptions were made in favor of emergency use by public vehicles of the city and of hospitals and public utilities; as to all others the prohibition was absolute.

In holding that the ordinance was unreasonable and consequently void, the court conceded the necessity and the power of the city to make such regulations as are reasonable, but emphasized that the rights of abutting owners to access and the incidental requirements of loading and unloading of passengers and merchandise could not be taken away. As to what might be reasonable regulation, the court said:

> The streets in the district included in the ordinance were congested with vehicles, and the situation no doubt called for action by the council prescribing regulations which would relieve the congestion and provide for the freer movement of traffic than was possible under those conditions. The occupation of both sides of the streets by parked vehicles reduced the space left for travelers, and was a contributing cause to the congestion of traffic. It might have been a reasonable exercise of power by the council to restrict the right to stand on the streets to a short time, or to prevent it altogether at certain hours and in certain parts of the territory, but it was not a reasonable exercise of the power to prohibit the standing of any vehicle on the streets for any purpose, or for any time, so as to prohibit throughout all the business hours of every business day the free use of the streets, in a reasonable way, to the people within the territory mentioned, and those desiring to transact business with them, to have reasonable and convenient access by automobile to the various parts of the territory described in the ordinance for the transaction of business and the receipt and delivery of goods in the ordinary way.

The opinion, however, is especially valuable in pointing out the limits as to the construction of ordinances by the courts. Counsel for the city maintained that the ordinance should be so construed as not to inhibit reasonable use of the streets by adjoining owners or by others for purposes necessarily incident to traffic. Upon this point, the court said:

> There is no exception in the generality of the language on account of the purpose of the standing, but it must be construed in connection with other portions of the traffic ordinances, which require stops under certain circumstances, and it could not be regarded as a violation of the ordinance to stand on the street during a stop which is required by another ordinance of the city, or by traffic conditions at the time and place. The language must be interpreted according to the ordinary meaning of the words. According to that meaning, it prohibits every person from permitting a vehicle to stand on the street. The meaning of the language is not ambiguous, and there is nothing in the context or circumstances which justifies giving the language any different meaning. There is therefore no room for construction.

⁂

Excess Condemnation—No Power to Take Excess Lands after Improvement Is Completed.—In the recent case of *In re Monroe Avenue in the City of Rochester*, 237 N. Y. S. 147, the Appellate Division of the Fourth Department ordered dismissed a proceeding to take by eminent domain additional lands for purposes of resale after the street improvement in connection with which the city instituted the proceeding had been completed. By condemnation in 1926 of land for a street extension, the city found itself the owner of a surplus corner plot abutting the new street of about 165 feet in length and 18 feet deep. To the rear of the plot ran a private alley, known as Cheney Place, 16 feet in width, which the city authorities sought to acquire so as to make a salable lot with a frontage of 34 feet on one street and 165 feet on the other.

Notwithstanding that the extension of Monroe Avenue had been completed and that no part of Cheney Place abutted on the avenue or was intended to be made use of as part of the street, the city insisted that it had a right to condemn the land under section 2 of its charter which gives to the city power "to take more land and property than is needed for actual construction in the laying out, widening, extending or relocating parks, public places, highways or streets, provided, however, that the additional land and property so taken shall be no more than sufficient to form suitable building sites abutting on such park, public place or street."

This section was added to the city charter by the constitutional amendment of 1913, which provides:

> The legislature may authorize cities to take more land and property than is needed for actual construction in the laying out, widening, extending or relocating parks, public places, highways or streets; provided, however, that the additional land and property so authorized to be taken shall be no more than sufficient to form suitable building sites abutting on such park, public place, highway or street. After so much of the land and property has been appropriated for such park, public place, highway or street as is needed therefor, the remainder may be sold or leased.

In reversing the order sustaining the proceeding, the court, in an able opinion by Justice Edgcomb, said:

> The right to take the property of an individual in invitum, which is not to be used and enjoyed by the public as a part of a public improvement itself, is an innovation in the law of eminent domain. In view of this drastic change in the long-established practice of allowing private property to be taken only when it is to be used as a part of some public improvement itself, I do not believe that we should read into this statute, or the constitutional amendment which authorized it, unless the language employed clearly warrants such construction, authority to permit the respondent to condemn this excess land long after Monroe Avenue had been laid out and thrown open to the public, and the land necessary therefor had been acquired. I find nothing in the act or the constitutional amendment which indicates any intention to permit subsequent condemnation proceedings to be instituted for the sole purpose of acquiring land for speculative purposes long after the property actually needed for the public improvement itself had been acquired. On the contrary, the last part of the constitutional provision, which legalizes the lease or sale of the excess land after so much thereof as is necessary for the public improvement has been appropriated, fairly indicates that the surplus land must be acquired in connection with that needed for the improvement itself.[1]

⁂

Taxation—Exemption upon Consideration Upheld.—The Supreme Judicial Court of Massachusetts on November 26, 1929, handed down an important decision upholding the right of the plaintiff to recover taxes paid under protest, upon the ground that the taxpayer was entitled to a contractual exemption. (*Thayer Foss Co.* v. *City of Woburn*, 168 N. E. 734.)

The plaintiffs were successors in title to certain persons who prior to 1880 discharged the waste from their tannery into the headwaters of Mystic Pond, one of the sources of the water supply of the city of Boston. In 1879 the owners deeded a portion of their lands to the city for the construction of the Mystic Valley sewer, which was designed to protect the municipal water supply. The sole consideration for the transfer was set forth in a clause of the deed as follows:

> It is hereby mutually agreed by us and said city (the assent of the city being evidenced by its acceptance of this instrument) that there shall be no obligation upon the part of ourselves or our heirs and assigns to keep said sewer upon our said estate in repair and in good order, or to make any compensation for its use.

The city of Woburn, the successor in title to the sewer from the city of Boston, collected a tax of $356.80 from the plaintiff for the use of the sewer. In deciding that the plaintiff should be permitted to recover the monies so paid in an action at law, the court held that the contract in the deed inured to the benefit of the successors of the grantor and that they could recover the taxes collected from them.

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Zoning—Reasonableness of Ordinance.—In *City of North Muskegon* v. *Miller*, 227 N. W. 743, the Supreme Court of Michigan affirmed a decision setting aside a zoning ordinance on the ground of unreasonableness. The action was brought by the city to restrain the defendant from drilling for oil on lands located within a zone restricted in use to "single-family dwellings, churches, schools, libraries, farming and truck gardening, and private clubs." After the discovery of oil in the vicinity in 1928, another ordinance had been enacted, requiring a permit from the council before starting drilling operations.

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[1] A note on the Ohio statute on excess condemnation may be found in the October, 1929, issue of the REVIEW, page 639.

The defendant had made two efforts to obtain a permit, which had been refused, and then had proceeded with drilling operations.

The evidence established that the land in question was in a low, marshy section, adjacent to the city dump and occupied by market gardens and small shacks, and not likely to be in demand for city residence purposes so far as could be anticipated. Under these conditions, the court held that the restrictions in the use were unreasonable and the ordinance void as not bearing a substantial relation to the public health, safety, morals, or general welfare.

Reasonableness must be the test of legality of any zoning ordinance and when, as in the instant case, the effect is to deprive the owner of a large part of the value of his property without any corresponding benefit to the public, the courts will set it aside. For another case dealing similarly with an ordinance that would take away the right to reclaim oil or minerals, see *Terrace Park* v. *Errett*, 12 Fed. (2d) 240.

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Zoning—Restriction upon Use of Vacant Land by Manufacturer Upheld.—In *American Wood Products Co.* v. *City of Minneapolis*, 35 Fed. (2d) 657, the Circuit Court of Appeals, Eighth Circuit, affirmed the decision of the District Court, upholding the validity of a zoning ordinance restricting the use of plaintiff's property to nonmanufacturing purposes. A full report of the facts of that case and the decision were printed in the December, 1927, issue of the Review, page 796, in which it was pointed out that Judge Sanborn recognized fully the injustice of the restriction, but felt bound by the legislative act of the city as determinative of the necessity for such an exercise of the police power.

Since that case was decided, the Supreme Court has handed down its decision in the case of *Nectow* v. *Cambridge* (277 U. S. 183), in which it was held that a city had no power to restrict the extension of a manufacturing plant on lands long used in connection therewith, unless it appeared that the restriction had some direct relation to the conservation of the public health, safety, morals, or convenience. The decision in the instant case is based on the finding of the trial court that the ordinance is necessary for the proper development of the lands adjacent to the state university as sites for homes of the instructors, and that such finding is conclusive. The real question involved in the case is whether there should be the same presumption of the reasonableness of an ordinance as of an act of the state legislature. Many courts hold that in conferring powers, the legislative intent is that they be reasonably exercised and that such reasonableness is to be determined in a proper case by the courts. It would seem that where the individual's property rights are seriously interfered with, there should be no presumption as to the reasonableness of an ordinance, but that in such a case the court should determine the question without throwing the burden of proving the reasonableness or unreasonableness of the ordinance upon either party to the controversy.

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Municipal Broadcasting Station—Proper Use.—The operation of the municipal broadcasting station known as WNYC by the City of New York promises to be a source of considerable legal controversy. In a recent decision, noted in this Review (Vol. XIX, No. 1, page 52, January, 1930), it was held that this station was subject to regulation by the federal radio commission, and the present case (*Ford* v. *Walker*, 237 N. Y. S. 545, decided December 6, 1929) was brought to test the uses to which the station could be put by the municipal authorities. The station was originally established pursuant to a resolution of the board of estimate and apportionment authorizing an appropriation for its installation and construction "as an adjunct to the police and fire departments and such other departments as may require or use such service."

The nature and scope of the programs broadcast from the municipal station has for some time been the source of public comment and criticism, and it is not surprising, therefore, that a legal adjudication upon the situation should be sought.

The instant case was a taxpayer's action which charged that the station had been unlawfully used for broadcasting the proceedings at various unofficial and private gatherings, and that such use was threatened to be continued. This complaint had been dismissed for insufficiency, and the Appellate Division, First Department, in a *per curiam* opinion reversed the dismissal holding that the complaint stated a cause of action.

The court, after calling attention to the constitutional provision prohibiting the use of public money for private purposes (Const. Art. 8, § 10), declares that:

> The board of estimate and apportionment was careful not to violate this provision when it

adopted the resolution authorizing the construction of the broadcasting station. The resolution distinctly provided that that station was to be used as an adjunct to the police and fire departments and to such other departments "as may require or use such service." In the absence of further action by the board of estimate and apportionment, the city may expend funds for the maintenance of the broadcasting station only in so far as it is used for the purposes set forth in the resolution authorizing its construction. The uses complained of are not those of the police department, the fire department, or any other city department.

With this restrictive construction upon the use of the station laid down as the rule of the case, it will be interesting to note what effect this and the subsequent disposition of the case will have upon this municipal activity.

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Extra-Mural Powers—Supplying Electric Service to Outlying Districts.—The power of municipalities to exercise police powers beyond their territorial limits when authorized by the legislature is generally recognized, subject to the rule that no two municipalities may exercise the same powers upon the same territory. In *Holmes* v. *City of Fayetteville*, 150 S. E. 624, the question was raised whether the city, under legislative authorization, could engage in the business of supplying electric light and power to the inhabitants of extra-mural districts. The statute gave the city full power thus to extend its lighting and water service for three miles beyond its limits and to fix rates for such service different from those charged its own citizens. It was contended that the act was special in character and a violation of the provisions of the state constitution requiring general laws for the creation of all corporations and for the amendment of their charters.

In upholding the power of the city, the Supreme Court of North Carolina calls attention to the decisions in that state restricting the constitutional amendment to private corporations, and meets the contention of the plaintiff, that the city, in exercising the function of selling electricity, is to be regarded as engaged in a private corporate activity, by expressly affirming the public character of the service provided. All the powers of a municipality are necessarily governmental in character, and the distinction between proprietary and governmental powers as a test of liability in tort should not be extended to other fields where it has no application.

PUBLIC UTILITIES

EDITED BY JOHN BAUER

Director, American Public Utilities Bureau

Los Angeles Five-Cent Fare Franchises Invalid.—In its latest decision on the subject, the Supreme Court of the United States took a long stride toward reducing municipal franchise restrictions upon street railway rates to the vanishing point. The case came on appeal from the district court of the Southern District of California. The Los Angeles Railway Corporation, in November, 1926, applied to the railroad commission of the state of California for permission to charge a seven-cent cash fare, or four tokens for twenty-five cents, instead of five cents, the maximum fixed by the franchises granted to the company. In March, 1928, the commission rejected the application, on the ground that the company had earned an average annual return of 7.1 per cent; that it was not being efficiently operated; that the management had failed to introduce certain economies previously recommended, which would have increased its net earnings; and that for these reasons, the existing five-cent fare was just and reasonable.

In June, 1928, the company brought suit in the federal district court to have the rates and the order of the commission adjudged confiscatory. The court found the facts as alleged by the company, and by its decree permanently enjoined the commission from enforcing the five-cent fare. On appeal to the Supreme Court, the issue was narrowed down to the legal consideration of the fare fixed by the franchises. The commission and the city of Los Angeles contended that the franchises constituted valid contracts, and prevented the company from charging more than a five-cent fare. The company contended that the city did not have the legal power to fix rates by contract, and even if it had the power, that the contracts as to rates had been abrogated when the commission assumed jurisdiction in the present case, and when, in an earlier case, a small increase had actually been allowed but was rejected by the company.

In its decision of December 2, 1929, the Supreme Court upheld the contentions of the company. Mr. Justice Butler wrote the majority opinion. The decision was not unanimous. There were three dissenting judges—the same three who have frequently found themselves at variance with the majority. Justice Brandeis wrote a dissenting opinion, joined in by Justice Holmes. Justice Stone agreed generally with Justice Brandeis, but wrote a separate dissenting opinion. The legal phases of the decision were presented briefly last month by C. W. Tooke in the department of Judicial Decisions. Our remarks are directed more to questions of reasonable policy with respect to state and local rate control.

FEDERAL COURTS AND REGULATIONS

The Los Angeles case brings up sharply a situation which has caused a great deal of serious reflection, also irritation, on the relation of the federal courts to the entire scope and procedure of intrastate rate control. This applies not only to municipal franchises, but also to cases where intrastate jurisdiction comes in contact with interstate relations, particularly valuation and rate-making.

We are here concerned not only with law, but with underlying economic and public policies. Interstate regulation is properly concerned with what are really interstate utilities and services. As a matter of policy it would, of course, be a mistake to permit state and local interference with interstate business. But, conversely, it appears equally undesirable to have federal interference with activities which concern only individual states and local municipalities.

In some instances, it is difficult to separate satisfactorily what is fundamentally interstate, and what is intrastate and local. But, for the most part, electric, gas, water, and street railway properties are limited to intrastate and dominantly to local municipal service. Their proper regulation is, manifestly, a state and local matter. The entire system of rate regulation, whether by the legislature itself, by a single state commission, by separate comissions for individual municipalities, by franchise, or by a variety of combinations, does not come within the province of the federal government. It should be left entirely to state policy and administration, except as to final appeal on questions of confiscation after the highest state courts have spoken. This is common sense, and should be translated into law. If this independence is not possible under present legal conditions, then there should be congressional action limiting the federal courts to actual interstate activities, and conveying to the state courts complete jurisdiction over state regulation instituted under state laws.

Consider again the Los Angeles case. It applies exclusively to intrastate activities. The properties are located entirely within California, operated under California franchises, in a California city, subject to California laws relating to public utilities and municipalities. The Supreme Court simply should not be concerned with Los Angeles street railway rates. It should not be called upon or troubled to determine the city's rights, the limitations of local franchises, the purposes and scope of the state statutes, and the ultimate significance of the state constitution. If it cannot escape this extraneous burden under present law, the law should be changed as a matter of rational policy of government.

The case came into the federal courts through the constitutional provisions forbidding the taking of private property without due process of law, after the commission had decided against the company. Under present conditions, the company probably could not have been stopped from raising the particular question under the federal constitution. Hence, on an entirely local matter, which, of course, should have been settled within the state, under state law, and by the state courts, it was able to invade the lower federal court, and pass to the Supreme Court, with an egregious waste of time and effort and obvious distortion of what should be proper state and federal relations.

While, of course, the company will retain its rights under the federal constitution, why should it not be held, in first instance, to deal with the municipality which granted the franchises and the state under whose laws the franchises were exercised?

STATE ACTIVITY

When rates have been fixed, a company which is dissatisfied may immediately evade the state adjudication and rush into federal court, because of its federal right to just compensation. Of course, it is entitled to a fair return, and its right must be fixed under due process of law, without confiscation. It must, of course, have the right to appeal from the action of the commission, which may be unreasonable and arbitrary. But why should it not proceed through the state courts when the entire subject-matter is state and local; why deny to the state courts the opportunity to construe the state statutes, local franchises, municipal charter, and state constitution?

There is no suggestion that the federal right should be destroyed—this, quite obviously, could not and should not be done. But there is no reason why all these matters should be brought, in first instance, to the federal court, to clog up judicial administration, multiply vastly the total responsibility and burden placed upon the Supreme Court, and arouse irritations between local and federal government. Why should not the state commission be recognized as the trial court to determine the facts? Why should not the record thus made be first subjected to appeal or review by successive state courts? Would this procedure not assure the most satisfactory disposition of all legal questions with respect to local franchises, state laws and constitution, or with regard to the validity of rates fixed by the commission? If, however, the company, or any party, feels aggrieved after the highest court of the state has spoken, there would then be time for federal jurisdiction and final decision by the Supreme Court of the United States, whether there was violation of due process and confiscation of private rights.

DETERMINATION OF FACTS

There is not only the determination of state law, but the vast range of technical and financial facts. In the ordinary rate case, the law is simple but the facts are complicated. In fixing rates, the state commission must base its order upon findings of fact not only with respect to valuations and rate of return, but also operating costs, conditions of service, classification of rates, and probable revenues to be expected. The task is an enormous one, all but prohibitive under ordinary circumstances, and requires close and continuous contact with the company and the properties.

But after the order has been issued, all the laborious and costly processes come to nothing when the company enters the federal court. Then a master is appointed to report on whether the rates are confiscatory. Normally, he knows nothing about public utility rate-making, about the properties, or about any of the technical processes. He does not receive the record and exhibits from the commission, but makes a new record throughout, and receives evidence which had not been placed before the commission. He reports his findings to the court which for practical reasons must accept them. And then the case goes to the Supreme Court, which is virtually bound by the findings of the master who was not competent to decide upon most of the questions of fact.

There is a basic procedural evil in the disregard of the record made before the commission, which because of its closer contact with the properties and its greater technical knowledge and assistance is normally more competent to make proper findings than the federal master. The federal appeal results not only in duplication of expensive legal processes, but also in grossly inefficient treatment of complicated and difficult facts, while subjecting state policy to federal control and determination.

During the past year we have had occasion to review the Interborough Rapid Transit Company seven-cent fare case. This was concerned with municipal contracts duly made under state law, and involved an intricate series of state legislation, complicated with various constitutional provisions. The matter arose before the state transit commission. The company moved rather surreptitiously to the federal court. The question of jurisdiction was raised immediately. The lower federal court, however, retained jurisdiction and issued an injunction. The matter was carried to the Supreme Court, which, in that particular case, did order the cancellation of the injunction, and held the matter subject to state determination. The Interborough decision suggested that, perhaps, the Supreme Court itself would help to point the way to keep the federal courts from being clogged with state and local litigation. The Los Angeles case, however, rather indicates that the hope was unfounded. Perhaps the Supreme Court is helpless and cannot prevent the invasion of the federal courts by local litigation.

The recent New York Telephone case is another example.[1] The New York public service commission, in 1926, fixed the rates for this company after an extended investigation and determination of facts. The company immediately went to the federal court for an injunction. A special master was appointed, who knew virtually nothing about the properties, or about valuation and rate-making. All the facts and issues had to be tried *de novo*. The waste of time and expense was enormous. The master reported to the court, whose decision could not be authortative, because it could not rest upon adequate knowledge of technical facts. The case may go to the Supreme Court, which will then be confronted by nearly 40,000 pages of testimony and a "carload" of exhibits and documents. What can the Supreme Court do, as to actual consideration and determination of the issues? It will be hopelessly lost in the intricacies and multiplicity of details, and it should not be burdened with the task and responsibility.

LIMITED FEDERAL JURISDICTION

This flooding of the federal courts with matters of state and local public utility regulation is one of the important factors which have helped to destroy the effectiveness of state regulation.

Perhaps the simplest course would be congressional action limiting the jurisdiction of the federal courts in state public utility cases to appeal after decision by the highest court of the state. By such limitation, the local matters would be kept within the state courts, but there would be no interference with the final federal right of due process. If any party still feels aggrieved, after the highest court of the state has spoken, he would still have the right of federal protection. But the possession of this right should not enable a company to evade state regulation and the interpretation of state law by the state courts.

Such federal legislation as here suggested has been proposed by the so-called Bacharach bill. We hope that this measure will be revived, or a suitable law passed by Congress to deal adequately with the situation.

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Higher Fares in New Jersey.—The Public Service Coördinated Transport Corporation of New Jersey put into effect radical fare changes as of January 1. Its general level of rates has been five cents for a continuous ride within a single municipality. It serves practically all of northern New Jersey as well as certain other sections of the state. It operates both street railways and busses in a "coördinated" system.

The new schedule provides for a single fare of ten cents, and ten tokens for fifty cents. The zones remain virtually as before. The mass of riders who require daily service are thus able to continue at the old fare through the purchase of tokens, while casual riders will be required to pay a 100 per cent increase. This change has aroused a great deal of public criticism. It has been approved, however, by the state board of public utility commissioners as a temporary expedient to test out the effect upon revenues and service. It will probably be subjected to an inquiry before the commission after a reasonable period of trial.

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[1] This case will be reviewed next month in a special article by Mr. Nathaniel Gold.

The extraordinary feature of the schedule is the wide difference between the single fare and the token rate. The system of a higher single fare and lower token rate has been put into effect frequently, but there has seldom been a difference of more than a cent and a half or two cents between the single fare and the token rate. The ten cents and five cents offer a challenging differential. If, however, the company is actually in need of greater revenues to cover the cost of service and obtain a fair return, there is a good deal to be said for the wide spread. There are not only important factors of economy in favor of the much lower token rate, but there is also the matter of public policy in distinguishing the casual and regular riders.

Perhaps the principal cause of irritation is the great piling up of fares for single-fare riders who pass through two or more zones. There are numerous combinations where a ride of two to five miles will call for an aggregate fare of twenty to forty cents. These results are plainly unreasonable. There should be at least the modification that the double fare shall apply only to the first zone, while the fare for subsequent zones be left at five cents per zone. Such modification would probably meet the bulk of the public criticism.

There is, however, the fundamental question, whether a higher fare than five cents is really needed for the *modern* part of the "coördinated" system. There is reason to believe that the busses could readily be operated with an adequate return at a five-cent fare under the present zoning system. But five cents is probably not sufficient to bring also a fair return on the street railway properties on the basis of ordinary valuation. So there is widespread opinion that bus operation should be kept distinct from the street railway, and should be required merely to pay its own way. It has been opposed to the consolidation of bus and street railway operation. It is skeptical of the sonorous term "coördination," and looks upon the combination as an effort to make good for the company the investment in obsolete street railway properties, to mask the bus profits with the street railway losses.

The public at large would probably be greatly benefited if street railway operation were abandoned in its entirety, and the service limited to busses. This would mean more satisfactory service, at lower cost, and at the same time would furnish the congested sections with an increase in street capacity for the rapidly increasing vehicular traffic. The transportation problem in northern New Jersey, as in other urban sections of the country, has been handled in piecemeal fashion and with extreme tenderness for street railway investment, at great cost to business as well as to riders.

The time has come when not only the great mass of riders, but also all business and industrial interests of northern New Jersey, should take stock of what the present system is actually doing in the retardation of commercial progress of the territory. At an increasing rate for the past five years, Newark, for example, has permitted the driving away of business, especially shopping, through intolerable street congestion and unsatisfactory transportation. During a large part of the day, particularly during morning and evening rush hours, the principal thoroughfares radiating into the suburbs are choked by street cars. Traffic could be handled much more expeditiously and economically by busses, and the streets could thus be made available for at least 100 per cent greater vehicular traffic.

We have given emphasis to this problem in New Jersey because the same conditions prevail in practically every city which is struggling with street railways, fares, service, traffic congestion, and retardation of business.

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Extensions of Service.—Because of the rapid growth of municipalities, especially suburban communities in large metropolitan areas, new sections have been built up in recent years without thorough legal consideration of streets and the rights of property owners. In such instances, purchasers have often assumed that the streets had been laid out and dedicated to the municipality, when actually no such legal processes had taken place, and when the owners actually had title to the land occupied for street purposes. In these cases the question has arisen as to the right and obligation of the city, or a public utility, to make property extensions and to furnish service to the property owners.

Such a special case arose recently with respect to water service in the city of Mount Vernon, one of the larger suburbs of New York. The practice of the municipality had been not to extend the water mains into a street until full conveyances had been made by all the property owners. In the particular instance, some of the owners refused to make the conveyance, and attempted to obstruct the extension of water mains in a street which other owners had assumed to be a part of the city streets. In a recent opinion by the corporation counsel, J. Henry Esser, the position is taken that the city does have the right to extend water mains through such streets, even though they have not been formally conveyed to the municipality. The opinion holds that no owner can stand in the way or exact compensation for the privilege. It holds that water pipes are a part of the general easement for the common use of the thoroughfares.

Presumably, the same view applies to other utilities which are essential to modern community welfare. A city- or privately-owned utility is thus enabled, and, at least morally, is in duty bound, to furnish extensions through any municipal street, even if there had been no formal conveyance to the city. The law thus appears to be in harmony with common sense applied to public utility service.

MUNICIPAL ACTIVITIES ABROAD

EDITED BY ROWLAND A. EGGER

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Housing in Belgium.—Belgium has, in recent months, taken decisive steps in the direction of meeting the housing crisis which for some time has confronted her industrial areas. M. Vinck estimates that, at the present time, lodgings are needed for almost 100,000 people in these regions. The National Housing Association of Belgium has attempted, with private funds, to alleviate the suffering which this shortage has created by the construction of lodgings for about 13,000 people. This construction program has already been entered upon and it is expected that approximately 4,300 lodgments will be constructed annually over a three-year period. It has been evident, at the same time, that the problem is too stupendous adequately to be handled by private enterprise. The country is confronted concurrently with the problem of renovating its slum areas, which is, of course, the complicating factor in almost every large-scale housing program.

In recognition of the importance of this project, the Belgian government recently has authorized the issuance of bonds on the public credit to the extent of 300 million francs, for the construction of working men's houses. These will rent at a figure inadequate to meet the debt charges on the bonds issued. The law provides that this difference shall be met by the state, the province, and the commune, in the proportion of five-eighths, one-eighth, and two-eighths, respectively.

It is interesting to note that the majority are to be multiple dwellings of 32 apartments, of which eight are five-room flats and 24 are of four rooms. It is estimated that, with the differentials established for the site increment, etc., the bonds which have been issued will be retired within 55 years. Substantial provision has been made for maintenance, replacements, and repairs.

All in all, this represents one of the most thoroughgoing projects which has been advanced in any country for the solution of the housing problem. By the time the plan is completed Belgium will have eliminated its slums, will have made a substantial contribution to national economic stability, and at the end of the time will have on hand a state trading corporation which will doubtless be made a paying proposition for the government.—*Le Mouvement Communal*, November, 1929.

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Communal Integration in Germany.—The Rhenish-Westphalian industrial region of the *Deutsches Reich* has recently been the theatre of one of the most thoroughgoing territorial integrations in the whole of Germany's local governmental readjustment. Prior to reorganization this district contained thirty cities and twenty-two rural circles; in this area there were 7,966.46 qkm. supporting a population 6,400,000 people. Under the law of July 10,1929, the entire region, within its original boundaries, was completely reconstituted. There are now twenty-six *stadtkreise* and only twelve *landkreise*. The region is very highly industrialized; the industries, furthermore, are distributed throughout almost the entire area. The average population density is 803 persons per qkm., extraordinarily high for a non-metropolitan region. It should be remembered, however, that this district is the most highly industrialized section of the *Reich*, and probably of Europe.

This territorial readjustment is peculiarly significant for its boldness of attack upon the problem of territorial and functional integration. The readjustment involved no alteration of the relation of the classes of local governmental areas to the provincial and state authorities, or to each other. The region is frankly not a closely knit economic unit, and cannot be treated as such. The Rhenish-Westphalian *Verwaltungseinteilung* should be of especial interest to all students of regional planning and regional government, as indicative of German opinion regarding the limits of centralization.—*Der Städtetag*, September 29, 1929.

Greater Hamburg.—Germany is experimenting in the solution of her metropolitan problem. The most recent metropolitan consolidation is in the hinterland of the *freistadt* Hamburg. It is interesting from a number of points of view.

In the first place, the political status of Hamburg—a free city—precludes the possibility of territorial readjustment by ordinary measures. Hamburg is, for practically all purposes, upon precisely the same legal plane as Prussia. The condition in the Hamburg metropolitan area is, then, comparable to a number of metropolitan regions in the United States. For example, the Chicago region extends into Wisconsin and Indiana; New York into New Jersey and Connecticut; St. Louis into Illinois; while Buffalo and Detroit really lie partly in Canada.

The administrative organization of the new Hamburg region is modeled very closely upon that of the Port of New York Authority. Its governing body is composed of political representatives of Prussia and Hamburg, chosen from the region included within the consolidation. Since the whole of Hamburg is in the new region, the project is, for her purposes, federal in character. The proposed designation of the Prussian representatives by the Prussian government, however, takes the consolidation out of the category of true municipal federalism.

The initial problems to be considered by the new regional government are concerned chiefly with canalization in the upper Elbe, the formation of a regional plan for the entire area, the adoption of measures for the preservation of parks and open spaces, and kindred functions.

At the last meeting of the American Political Science Association, Dr. Thomas H. Reed called attention to the possibility of solving the problem of the interstate and international metropolitan region by treaty. It is in this connection that the Hamburg consolidation should be of primary interest to American regional experts and planners. While the international situation is complicated by considerations of customs barriers and immigration, the interstate situation is not appreciably dissimilar to the consolidation described. The integration and consolidation of metropolitan regions, wherever located, is a task which eventually must be confronted. Legal fiction is not as compelling as economic reality. The German extension of the theory underlying the New York Port Authority will be scrutinized critically by American students and administrators.—*Städtebau*, Heft 5, 1929.

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Metropolitan Consolidation in France.—The French Parliament is considering two projects which propose to remedy the present inadequate legal basis of metropolitan government in the Republic. One of these applies specifically to the Parisian region, while the other is general in application. At the present time the extent to which regional services may be undertaken is severely circumscribed by the law relating to the *syndicats*, which does little more than permit several communes to combine for the letting of public utility contracts—chiefly gas, water, electricity, and interment of the dead, a French communal monopoly. Concerning the projects of larger regional interest, such as transport, housing, and the like, little has been accomplished. Of course, nothing has been attempted in the equalization of governmental costs between the metropolitan centres and their suburban areas.

The Parisian problem is peculiarly compelling. The historic city within the fortifications is indeed an aesthetic triumph; but the miserable towns which have grown up in the *banlieu* are a reproach to the French social consciousness. M. Sellier has for a good many years been calling attention to the unhealthy and unlivable character of these Parisian suburbs. To be sure, in 1919 and in 1924 the government did arouse itself to the extent of proclaiming the obligation of the communes to coöperate in certain matters of arterial highways, parks, planning, etc., but its action was largely histrionic and the results have been meager. The government seems unable to forget the days of the Revolution. Too, the prefect of the Seine is about as important a political figure as the president of the Republic. Furthermore, the *banlieu* is overwhelmingly communistic.

In March, 1928, M. Albert Sarraut, then minister of the interior, presented a memorandum on the subject of a regional government for the Paris area to parliament, with which it has since been dallying in its customary manner. M. André Tardieu has made public his intent to force the matter to its conclusion, looking ultimately to the inclusion of all urban territory within the region under the government of the Seine, probably in a manner to some degree analogous to the federated plans of London or Berlin.

Too many projects for the solution of the problems of the Parisian region have come to an untimely end behind the closed doors of the deputies and senate committee rooms for those familiar with French politics to hope for overmuch.—*Le Mouvemente Communal*, November, 1929.

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The Port of Berlin.—There is a certain novelty in thinking of the capital of the *Deutsches Reich* as a port. Situated far inland, and having only the shallow, sluggish, muddy Spree as the nucleus of a canal network, the development of water transportation in the Berlin region seems all the more remarkable. As early as the middle of the thirteenth century, when Berlin and Köln united, the water transport net was begun. The construction of the Müllrose Canals, connecting the Spree and Oder, and of the Finow Canal connecting the Havel and Oder extended the system. The Plauer Canal of 1745, connecting with the Elbe, and the Rhine and Ruppiner Canals constructed between 1770 and 1796 further developed the water net. The time intervening has witnessed the constant widening and deepening of this network, as well as the construction of most complete docking and storage facilities. The recently completed Mittelland Canal, uniting the Rhine and Oder, permits the transportation of 1,000-ton ships throughout almost the entire area, and caps the development of a most remarkable water transport system. During the last year 15,300,000 tons were received at Berlin docks, while 4,900,000 tons were exported. It is in no small part due to this efficient and economical transport system that Dr. Böss waxes justifiably eloquent over Berlin's excellent connections with its hinterland.—*Städtebau*, Heft 11, 1929.

Home Rule and Efficiency.—One of the acutest problems confronting Germany at the present time is that of effecting an adjustment between the popular demand for local self-government and the tradition of rigid centralized administrative supervision and control. The fiscal stringencies in which the Reich has been placed as a result of the war appreciably has complicated this problem; in fact, German cities are unquestionably less free now than under the Empire. Of course, the precarious financial condition of the central government, under the burdens of reparations payments, precludes the possibility of substantial *selbständigkeit* being extended to the localities in the matter of taxation. It is the sociological aspect of selfgovernment for German cities, rather than its practical possibilities, which chiefly interests Dr. Walter Norden of the University of Berlin, however.

Dr. Norden believes that in laying the groundwork of a healthy and vigorous political life in its local governmental areas, the state is assuring its own continuance and progress. In coping with the difficulties of post-war reconstruction and restabilization, practical conditions must be met, but it should be remembered that such conditions are clearly abnormal and that local self-government, short only of *Kompetenz-Kompetenz*, is the most propitious environment for the development of an interested local polity. Dr. Norden, in another place, has made the point that the over-politicizing of German municipal administration in post-war years is an incident, but not a necessary incident, of the new German democracy. The apparent difficulties and inconsistencies between the desire for local freedom, and the demands for efficiency and economy as exemplified in the old bureaucracy, are not insusceptible to rational treatment.

The problem which Dr. Norden discusses is not confined to Germany, nor to local government.—*Der Städtetag*, October 29, 1929.

GOVERNMENTAL RESEARCH ASSOCIATION NOTES

EDITED BY RUSSELL FORBES

Secretary

Recent Reports of Research Agencies.—The following reports have been received at the central library of the Association since December 1, 1929:

Cincinnati Bureau of Governmental Research:
An Analysis of 11,180 Misdemeanor Cases.

Civic Affairs Department, Indianapolis Chamber of Commerce:
The Campaign for Economy in the 1930 Public Budget of Indianapolis.

Bureau of Public Research, Jacksonville, Florida:
Information Every Citizen Should Know.

Civic Development Department, Chamber of Commerce of the United States:
A Playground Handbook for Chamber of Commerce Executives.

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California Taxpayers' Association.—The analysis of the governmental organization, receipts and disbursements of the city of Pasadena, for the fiscal year ending June 30, 1928, has been completed and will within a very short time be transmitted to the Pasadena city committee of California Taxpayers' Association and to the city directors of that community.

The report recommends that the Pasadena city charter be abandoned and a new one drafted, based upon a recognized, scientific plan maintaining the council-manager form of government.

The survey shows that, in the eight-year period from 1921 to 1928, percentage increases in fiscal items were as follows: receipts from taxes and sources other than bonds, 207 per cent; population, 47 per cent; assessed valuation, 147 per cent; expenditures for maintenance, 189 per cent; total expenditures including outlays, 307 per cent. It is shown that expenditures are increasing in the city of Pasadena at a rate faster than the sources producing the revenue which pays for them. During the last eight years Pasadena has turned to bond issues as a means of financing many public improvements. This plan was found to be very costly. The bonded debt per capita on January 1, 1929, was found to be $141 while the average for a group of ninety-eight cities of comparable size was $69. A pay-as-you-go plan of financing improvements is recommended.

A recommendation is made that the city ordinance which created the city planning commission be revised to define the work of planning and to provide more effective administration.

*

The Taxpayers' Association of New Mexico.—The Association is assisting the state comptroller's office in checking the expenditures under the county budgets for the fiscal year ending June 30, 1930. At the suggestion of the Association the state comptroller sent out letters requesting a report as to warrants issued against the various county funds during the first half of the fiscal year. In addition to the report of warrants issued, the county clerk, who keeps the budget control record, is required to send in a list of all unpaid claims. The warrants issued plus the unpaid claims represent the obligations incurred against the budget in each fund; and the budget allowance, less the total of the warrants and the claims, shows the balance available against which indebtedness may be incurred for the second half of the fiscal year.

As the reports come in from the thirty-one counties of the state, the staff of the Taxpayers' Association will check them and report conditions to the state comptroller, who will call attention of the local authorities to any overspending.

*

Schenectady Bureau of Municipal Research.—The Bureau has begun its preliminary work on the police survey and the garbage and ash survey and a great deal of data have already been gathered in the few weeks in which attention has been devoted to these problems.

In conjunction with the New York State Conference of Mayors, the Bureau is now engaged in the preparation of a supplement to the fall radio series given over WGY and associated radio stations. This experiment in civic education by radio has been so successful that broadcasting authorities have requested sixteen additional weekly talks. This may logically develop into the broadcasting of governmental activities as a permanent radio feature. The complete new program will be published in a few weeks.

City authorities have approved the printing of the long-term financial program and it is expected that several thousand copies will shortly be available for distribution. With the printing of the program, the Bureau plans to undertake an intensive campaign for the establishment of a capital budget commission which will supervise the actual carrying out of the long-term plan.

A meeting was held with the charities committee appointed by the head of the League of Women Voters at which the managing director of the Bureau presented data on social welfare organization gathered on recent trips to Buffalo and Cleveland. It was the opinion of the committee that steps should be immediately taken to centralize Schenectady's welfare work. It is now planned to hold frequent conferences with leaders in all phases of social work in the city in order to arrive at some agreement concerning unified welfare activity.

The Bureau hopes to have 850 members by January 1, 1931. In addition to utilizing the services of a full-time membership solicitor, rotating committees composed of prominent citizens and members of the Bureau will be formed to recruit new members.

Tokyo Institute for Municipal Research.—The Institute is publishing a series of pamphlets under the title: *The Toshi Mondai* (The Municipal Problems). These pamphlets are printed in Japanese for the most part, but include an index in English to current literature in the United States and European countries. In some cases these reports reprint English articles translated into Japanese.

*

Bureau of Civic Affairs, Toledo Chamber of Commerce.—A study of street paving construction practice in ten cities has just been completed by the Bureau of Civic Affairs. The study was undertaken to ascertain how the paving practices in Toledo compared with those of other cities. It was found that the average cylinder test for concrete base is 2,200 pounds, whereas the strength specification for Toledo is 1,500 pounds, the lowest of any city studied. Other parts of the study include preparation of the subgrade, thickness and type of base, aggregate specifications, curing specifications test for sheet asphalt and other asphaltic pavements, qualifications and pay for inspectors, type and quality of pavement testing, guarantee for new pavement by the contractor, and the period during which cuts are not allowed to be made in new pavements.

A committee is studying the results of the survey with the view to making recommendations to the city engineer for the improvement of specifications and testing practices which should give Toledo better pavements in the future.

NOTES AND EVENTS

EDITED BY H. W. DODDS

Regional Plan Proposes Elaborate Civic Center.—One of the first projects now being brought forward by the Regional Plan of New York and Its Environs is a proposal for a future civic center to be developed at City Hall Park, Manhattan. In common with nearly all other plans for the treatment of this park, the present proposal provides for the removal of the Post Office, the Hall of Records, and other public buildings between Chambers Street and City Hall.

A monumental structure covering two square blocks and rising to a height of one thousand feet, with a frontage on the north side of the park, will dominate the scene. In proposing such a high building, the Regional Plan explains that it is not opposed to high buildings *per se*, that the vital consideration is the control of bulk and not the control of height. Anticipating that high buildings are certain to be erected on the site selected for the civic center, the Regional Plan staff believes that a large area should be assembled and that the buildings erected thereon should be in keeping with the national importance of the metropolis.

The Regional Plan, in suggesting an imposing building as appropriate for New York's civic center, goes on record as believing in unrestricted height on 25 per cent of the lots with a lessening of height on the remainder.

*

Home Rule or Ruin?—Stewart Browne of the United Real Estate Owners' Association of New York may have no national fame but he is a well-known local Jeremiah. One can imagine him pointing to the members of the board of estimate of New York City who have just helped themselves to $60,000 a year from the city treasury and saying "I told you so," for he always called home rule "home ruin." The mayor of New York is now to receive $40,000 which, not to mention pension benefits, automobiles and expense allowances, makes him clearly the second highest paid elective official in the country. Many of us see no reason why this should not be so but there was no little objection to the manner and propriety of the increase. Though there was not a whimper about their then-not-too-modest salaries in the November campaign, the members of the board of estimate, all of whom were reëlected, proceeded, under an emergency message from the mayor, to raise the salaries for their successors on January first. There is some remote prospect of taxpayers' action to halt this "gold rush" of our ten greediest cases, but it is probably safely within the letter of the home rule law.

Buffalo, too, has had its home rule powers turned to unexpected use. The new charter adopted two years ago penalized the members of the city council one-fiftieth of their year's salary for absence from any meeting. No excuses were permitted. The council having squirmed under this rule for two years has passed a charter amendment permitting itself to excuse absences by a two-thirds vote. This provision which the charter makers set great store by goes gaily out of the window.

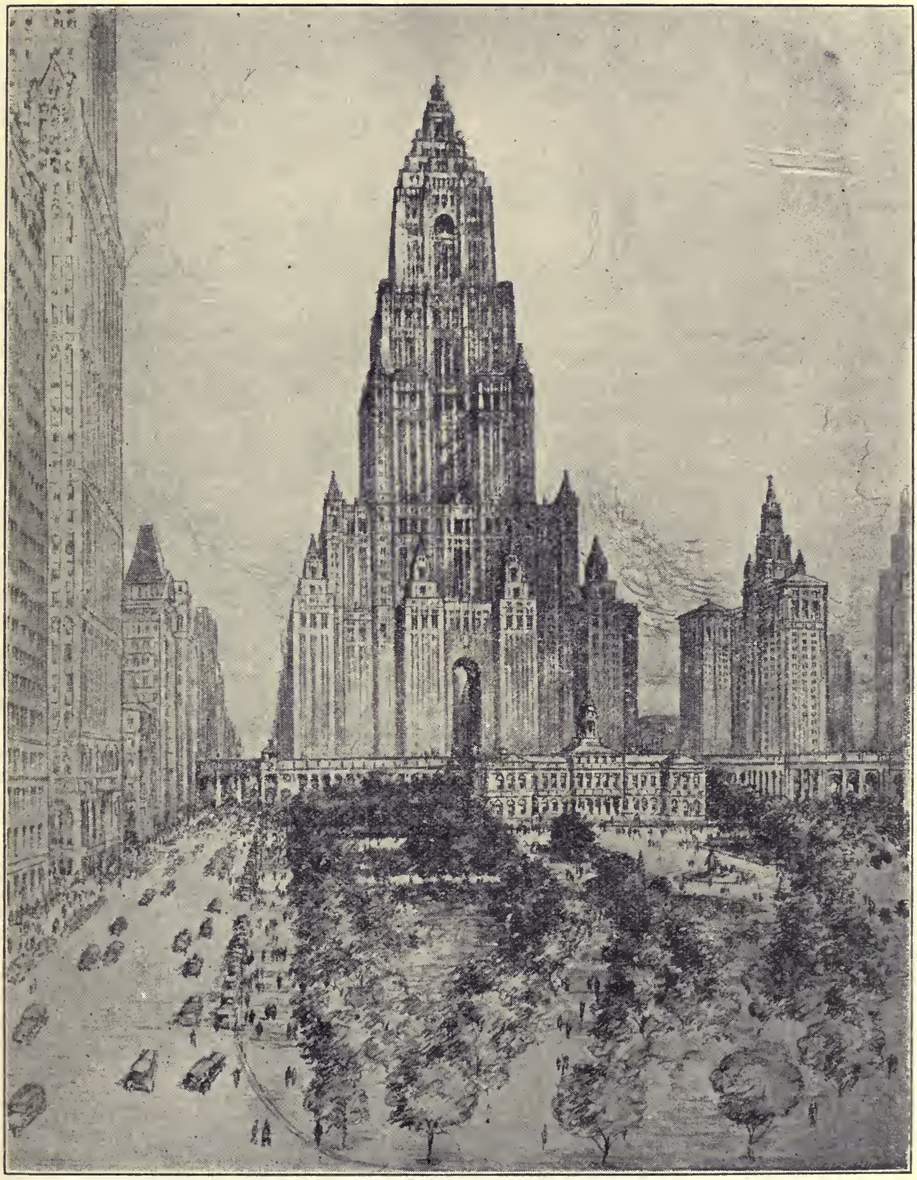
The distress of these two cities at this kind of home rule might be less were it at all apparent that the city's broad home rule powers were also being put to constructive use.

Joseph McGoldrick.

*

A Detective Story.—The ghost of Arnold Rothstein hovered over the New York mayoralty campaign, but though Mayor Walker was unable to lay it, it is not clear that it appreciably influenced the election. The only serious echo was the disclosure that Mr. Walker's manager, Magistrate Vitale, had at one time borrowed $20,000 from the famous gambler. But he assured his public that he had paid it back and the incident was allowed to drop. Election over, he went to Virginia for a hard-earned rest. His return was the occasion of a modest banquet in his honor by the Tepecano Democratic Club, of which he is (or was) president.

There was nothing unusual about this except that in the course of the evening seven gunmen entered and relieved the guests of their money and various trinkets. Among the latter was the



Regional Plan, New York

Francis S. Swales
Architect

REGIONAL PLAN PROPOSAL FOR NEW YORK'S FUTURE CIVIC CENTER gun of Detective Johnson who was seated at the guest table. Johnson was promptly suspended and brought to trial on a miscellany of charges, the police commissioner having learned that at least seven of the forty guests had criminal records. At the trial it was explained that the gun had been returned within a few hours by Magistrate Vitale himself.

But the big news was the story told by Inspector Donovan, who had investigated the case, that the holdup was in fact a fake. It seems that one Ciro Terranova, the "Artichoke King," whom Mr. Whalen calls the Al Capone of New York, had entered into a written contract with a Chicago expert whereby the party of the second part, in consideration of $20,000 was to "bump off" Frankie Yale (né Uale) and Frank Marlow. Despite the fact that this written agreement had been faithfully and competently performed by the gentleman from Chicago, Terranova was reluctant to pay. Threatened with dire consequences, including exposure, it occurred to him to have his Chicago friend come to the Vitale dinner to receive his payment there. The holdup, so Inspector Donovan would have us believe, was aimed at this unusual murder contract and was a complete success, save for the complications which afterward set in.

While the magistrate was busy explaining to the district attorney, the police, the bar association and the press, the circumstances of this party and the rather amazing roster of the Tepecano Club (it is said that this is a Bronx spelling of Tippecanoe), the U. S. district attorney, still running down the late Mr. Rothstein's narcotic activities, raided a Harlem speakeasy and found that the proprietor and brains of a national, wholesale, retail and mail order "dope" ring carried a little black book of *Numbers Frequently Called* and among them was that of Magistrate Vitale. We are also waiting to hear of an interesting folder from the Rothstein archives also bearing the magistrate's name.

Joseph McGoldrick.

⁂

Kansas City Police Case Before Supreme Court.—The suit of the police commission of Kansas City against the city, which opened October 15 before a special commissioner, now rests with the Missouri Supreme Court. It originated in the refusal of the Democratically controlled council, acting on the advice of City Manager H. F. McElroy, to grant the $1,530,000 appropriation request of the Republican police commissioners. The council granted $1,150,000 which the commissioners contended was inadequate and refused to accept. July 1 the commissioners brought mandamus proceedings against the city. Such controversies are frequent in Missouri, laboring as she does under the absurd, archaic state police statutes of 1875.

The city claimed that the commissioners' request was not reasonable, that if the funds were properly used the amount allotted would be adequate, and that the police department hired Republicans merely to give them jobs. The counsel for the police argued that, according to the statutes of 1919 and the latest Supreme Court decision, "the city council is required to appropriate the sum requested by the commissioners." Since the governor had instructed the commissioners to take the department out of politics, it was evident that it was the purpose of the Democrats not only to show that the police department is partisan but to secure any information that would be good campaign material for the city spring election.

After a two weeks' examination of the commissioners concerning every detail of police work, the city announced that testimony would be taken in Minneapolis, Cincinnati, Indianapolis and other comparable cities. By December 8, when the case was resumed in Kansas City, public opinion had forced the immediate termination of the trial.

Since the police department has been spending at the rate of $1,400,000 a year, it is likely that the commissioners will either have to reduce the personnel or persuade many men to work without salaries. It is not probable that the Supreme Court will render a decision before April 1, the end of the fiscal year.

The most valuable by-product of the case has been the realization by a large number of people that a nonpartisan city administration is necessary. Whatever the outcome, the taxpayers resent a dispute which was unnecessary and intensely partisan.

D. I. Cline.

⁂

Dedication of the Social Science Research Building, University of Chicago.—The Social Science Research Building at the University of Chicago, occupying a position on the university campus adjacent to and east of Harper Library, filling in the Midway front at the university, was dedicated with appropriate ceremonies on December 16 and 17.

The dedication was widely attended by guests from various parts of the country and was made especially notable by the presence of three persons invited for the occasion from abroad: Sir William Beveridge, director of the London School of Economics and Political Science, Professor Célestin Bouglé of the Sorbonne, and Professor Albrecht Mendelssohn Bartholdy of the University of Hamburg. Sir William Beveridge delivered a series of six lectures on unemployment in Great Britain in the week previous to the dedication.

The ceremonies, which were held for the most part in the Assembly Room of the Social Science Research Building, were opened by an address of dedication delivered by President Hutchins. Following this address Professor Wesley C. Mitchell of Columbia University read a paper entitled "The Function of Research in the Social Sciences." At the close of the morning exercises Professor A. Mendelssohn Bartholdy delivered a very interesting address in defense of bureaucracy.

The company adjourned for luncheon to the Hotel Windermere where representatives of seven University Research Councils made brief addresses. The speakers were: Wilson Gee, Institute for Research in the Social Sciences, University of Virginia; Howard Odum, Institute for Research in the Social Sciences, University of North Carolina; Murray S. Wildman, Stanford University Council; Max S. Handman, University of Texas Council; Donald Slesinger, Yale Institute of Human Relations; Arthur M. Schlesinger, the Milton Fund of Harvard University; Wesley C. Mitchell, Columbia University Council.

In the afternoon Dr. Edwin R. Embree, president of the Julius Rosenwald Fund, presided over an interesting session devoted to two papers, one by John C. Merriam, president of the Carnegie Institution, entitled "Significance of the Border Area between Natural and Social Sciences"; the other by Dr. M. C. Winternitz, Dean of the Yale Medical School, on "Research in the Medical and Social Sciences."

In the evening a banquet was served at the Shoreland Hotel over which President Hutchins presided. He introduced first Sir William Beveridge who spoke on the subject of "International Coöperation in Social Science" and who was followed by Dr. Harold G. Moulton, president of the Brookings Institution, who spoke on "Coöperation in Social Science Research."

The ceremonies continued on Tuesday morning with a stimulating address by Professor Célestin Bouglé, delivered in French, on the subject, "The Present Tendency of the Social Sciences in France." He was to have been followed by Professor Boas of Columbia University but because of the death of Mrs. Boas in an automobile accident the day preceding, he was unable to be present. In his place Professor W. F. Ogburn read a paper on "Some Problems of Methodology in the Social Sciences."

At the luncheon presided over by President Walter Dill Scott, papers were read by Dr. Beardsley Ruml, director of the Spelman Fund, on "Recent Trends in the Social Sciences," and by C. Judson Herrick on "The Scientific Study of Man and the Humanities." This part of the dedication ceremonies was brought to a close by "A Word in Conclusion," delivered by Professor C. E. Merriam.

The final event took place at the autumn convocation which was held Tuesday afternoon at three o'clock. The convocation orator was Professor E. B. Wilson, president of the Social Science Research Council who spoke on the subject of "What Is Science?"

Honorary degrees of Doctor of Laws were conferred upon Sir William Beveridge, Albrecht Mendelssohn Bartholdy, Célestin Bouglé, and Wesley C. Mitchell.

⁂

Chicago to Reorganize Police Administration.—The long-expected plan under which a group of university presidents, criminologists and other educators and scientists, designated more than a year ago, would reorganize the Chicago Police department was made public on January 10. It had been unanimously approved by a citizens' advisory committee composed of forty-eight business and professional men.

Among the changes called for in the new scheme are:

Reduction of special units directly responsible to the commissioner from twenty to eight.

Taking from the shoulders of the commissioner of a mass of minor detail and placing such matters in the hands of the eight department heads and others.

Conversion of the chief deputy commissioner into an assistant chief of police "in fact."

Redivisioning of the city into six instead of five police divisions.

Creation of a system of inspectorships to be filled by captains.

Grouping of all police activities under six general heads, namely a director of personnel, chief of detectives, chief inspector, inspector in charge of traffic bureau, department secretary in charge of records and property, and inspector in charge of the morals division. These officials, the secretary to the commissioner, and the deputy commissioner, would make up the eight department heads.

Bruce Smith of the National Institute of Public Administration, an expert in police organization, is the author of the plan.

✣

Survey of Salaries.—The Los Angeles County Bureau of Efficiency has published a *Survey of Salaries*, paid comparable positions in the Los Angeles County Service, in the Los Angeles City Service, and by 155 private concerns in Los Angeles County.

The charter of the county of Los Angeles provides that in "fixing compensation to be paid to persons under the classified civil service, the board of supervisors shall, in each instance, provide a salary or wage at least equal to the prevailing salary or wage for the same quality of service rendered to private persons, firms or corporations under similar employment in case such prevailing salary or wage can be ascertained." In January and February, 1929, the Los Angeles County Bureau of Efficiency conducted an investigation into wages and salaries paid for corresponding positions to 8,699 employees of the county of Los Angeles, 13,320 of the city of Los Angeles and 29,772 working for private concerns. Parallel columns give the results in median, average, modal, maximum and minimum salaries. For the purpose of arriving at some sort of general conclusion the writer has examined 83 categories where comparison with private employment was available using the median salary as a base. It was found that the county paid more than private employers in fifty-five classifications and less in twenty-eight. The city paid more for forty-eight of the categories, less for twenty-two and the same in one case. For twelve the figures for the city were not available. It is conclusively demonstrated that from the monetary standpoint public employment in the area considered does not suffer in comparison with service in private concerns.

John M. Pfiffner.
University of Southern California.

✣

County Home Rule Amendment in New York.—The voters of New York state at the election on November 5 approved an amendment to the state constitution to limit the power of the legislature over the form of government which the counties of Westchester or Nassau may adopt under existing home rule provisions. All laws which have to do with the creation or abolition of elective offices in these counties, the method of removal of elective officers, the reduction of salaries or change of terms of office of elective officers during their terms, or abolish, transfer or curtail any of their powers, or change their voting or veto powers, or laws which affect the form or composition of a legislative body, or provide a new charter for the county are not to be effective without approval by the electors of the particular county.

All other special or local laws affecting these counties after passage by the legislature must be transmitted to the clerk of the governing elective body of the county affected, to be approved or disapproved by such body after public hearing, and by the executive head of the county if there be one. The bill is to be returned within fifteen days to the clerk of the house from which it was sent or to the governor if the legislative session has terminated, stating whether the county has or has not accepted the bill. No such bill shall take effect until sixty days after approval by the governor or adoption by the legislature over the governor's veto, nor until approval by the electors of the county if within sixty days a petition protesting against such bill be filed with the county clerk by electors numbering five per cent of the votes cast in the county at the last election for governor. If during the legislative session the bill is returned to the legislature without the acceptance of the county, or is not returned within fifteen days, it may again be passed by the legislature and acted upon by the governor, but shall not take effect unless and until adopted and approved by the electors of the county.

WATER POWER
IN NEW YORK STATE

By
A. BLAIR KNAPP

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WATER POWER IN NEW YORK STATE

BY A. BLAIR KNAPP

Electric power is rapidly becoming the dominant force in our industrial civilization. Its importance in the factory and home in the city and in the country daily becomes greater and greater. An important though admittedly not the most important portion of future power developments will be that produced from water power. New York State possesses valuable water power in its St. Lawrence and Niagara Rivers and its inland streams.

Despite the extent of this untapped wealth New York did not evolve a power policy until 1921. Even now it cannot be said to have settled upon a method of development and exploitation.

This is due to the fact that the two dominant parties have been at loggerheads with reference to this problem. Present indications point to a determination on the part of both to substitute action for words, and in such a situation a brief résumé of the fundamental positions of each may have some value. Space does not allow the description of the efforts of commissions prior to 1921. We lead you directly to the Water Power Act of 1921 which represents the Republican position, and which has been the policy adopted by the legislature of the state, but which has been nullified by the attitude of Democratic commissions charged with its administration.

CHAPTER I

THE NEW YORK STATE WATER POWER ACT OF 1921

1

When Governor Miller came into office on January 1, 1921, the stage was all set for definite action upon the problem of water power development. The demands of the consumers for more electric energy had increased to a marked degree. The electric utility companies were literally combing the country for advantageous power sites which would enable them to meet this increased demand as easily as possible. Popular imagination had been stirred by the predictions which had been made in magazine articles, on the platform, and in the press with reference to the possible economic and social results of abundant electrical power.

Congress had recognized the importance of the problem in 1920 by creating a Federal Power Commission which should have the authority to regulate power developments upon territory under the jurisdiction of the national government. The legislature at Albany had been debating and discussing the problem for over thirteen years. One administrative body after another had investigated, surveyed, and contributed its share to the volume of data concerning the water power resources of the state and their efficient exploitation. Still no comprehensive plan had been enacted which would adequately take care of all the water powers of the state. This was due in part to the frequent disagreements between the two houses of the legislature or between the legislature and the governor.

In January, 1921, however, the Republican party found itself in control of both houses of the legislature with a steadfast Republican in the governor's chair. It was therefore so situated that it could write its power policy into law without serious opposition. It was the first time that either party had been in that strategic position since the water power problem had become of major interest. Governor Miller in his first annual message advocated immediate action on the part of the legislature. In general he recommended that the federal act of 1920 should serve as a model and that the recommendations of the conservation commission which was then in office should be followed. In other words, he called upon the legislature to frame a law in which the theory of private development under lease should be the fundamental idea. As a result of the popular interest, the pressure of the governor, the complete authority of the Republican party, and the example of the national government the Water Power Act was passed.

2

The act created a State Water Power Commission to be composed of the conservation commissioner, the state engineer and surveyor, the attorney general, the president of the senate, and the speaker of the assembly. The conservation commissioner was to be the chairman of the commission. All powers and duties with reference to water power development which had been delegated to other administrative agencies in the past were transferred to the new commission in addition to the new provisions which were contained in the act itself. Such portions of the Conservation Law as had granted similar powers to the water control commission were annulled.

The new commission was charged with the duty of making "surveys and investigations" and collecting "data concerning the developed and undeveloped water power resources of the state" together with all necessary information relative to the location and potential power of the various sites and the cost of developing them. It was given the power to hold hearings, to inspect the projects completed and not completed, to examine all books, records, and accounts of any licensee and to require any licensee to produce before it any data which were deemed essential. It was to appear for and represent the state in all conferences with the authorities of the United States, the Dominion of Canada, or the province of Ontario, and was charged with the responsibility of setting forth the "just rights of the state" with reference to the development of its water powers. Upon it was conferred sweeping authority to make all rules and regulations necessary to put into effect the provisions of the law.

In addition to the foregoing general grants of power which in the main had also been given to previous agencies, the water power commission was endowed with the authority "to issue licenses in the manner and upon such terms and conditions as are hereinafter provided, and upon such other terms and subject to such other conditions, not inconsistent with this article . . . as the commission may determine to be proper in any particular case for the protection of the interests of the state." The law states that the licenses may be issued to "any citizen, association of citizens of the United States, or to any corporation heretofore or hereafter authorized to develop, furnish, or sell power in the state, or to any municipality of the state." To such persons, corporations, or municipalities a license may be granted "authorizing the diversion and use for power and other purposes of any waters of the state in which the state has a proprietary right or interest, or the bed of which, or the real property required for the use of such waters or the right to develop water power is vested in the state." Similar diversion and use may also be authorized with reference to the "boundary waters of the state where the state has jurisdiction over the diversion or interference with the flow of the same solely or concurrently with any other jurisdiction or owner of a proprietary right." Subject to the proprietary rights of others authorization may be given for "the construction maintenance, and operation in, across, or along any such lands and waters, of such dams, reservoirs, diverting canals or races, water conduits, power houses, transmission lines, and other project works as are deemed necessary and convenient." In such terms did the legislature establish the policy of private development of water power in accordance with and upon the authority of a license to be drawn and issued by a commission which was created for this purpose.

3

The law rather definitely sets forth the procedure which shall be followed in granting the above-mentioned licenses. Each applicant for a license shall submit to the commission a formal application accompanied by such information relative to the proposed project as may be required. Such information shall include maps, plans, specifications, and estimates of costs, all of which shall be considered part of the license when issued. If and when the proposed plans and specifications receive the approval of the commission or are altered so that such approval may be received, then the commission shall compute the annual rental charge to be levied for such license and shall inform the applicant or applicants of the amount of that charge. If the applicant or applicants accept the amount of the charge so fixed and determined and if they signify their willingness and offer evidence of their ability to perform all of the requirements of the license, to construct and maintain the proposed project and to pay the annual rental charge, the commission shall then give notice of such determination and set a time for a hearing at which it shall take action upon the application or applications for the project. In case there are two or more applicants for the license for a project the commission is required to award the license to the applicant whose plans are "most suitable for the proper development, conservation, and utilization in the public interest of the water power resources—and are most adapted to properly develop the water power site or sites covered in the application." In case it is impossible to determine which most completely fulfills these requirements, the order of preference is fixed as first to a municipality, second to a riparian owner, and third to the applicant first filing his application and plans with the commision.

The law also provides that under certain conditions "preliminary permits" may be granted "for the purpose of enabling applicants for a license—to secure the data and perform the acts" required of an applicant for a license. The purpose of this provision is to enable an applicant to maintain the priority of his application while engaged in making surveys and preparing the various maps, plans, and estimates. Such a permit cannot be granted for more than a three-year period and not more than one permit may be in force for the same project at one time. Such permits are not transferable and can be revoked by the commission at any time for cause.

4

The most fundamental features of the Power Act are concerned with the licensing arrangement. The term of the license "shall not exceed fifty years." It must include the agreement of the licensee to abide by all the provisions of the Power Act and to pay the annual rental charge. The "terms and conditions" of the license may be modified only by mutual consent of the licensee and the commission. Certain powers of revision are also reserved to the superintendent of public works in case the license shall involve any canal or canal feeder waters. The annual rental charge fixed at the time that the license is issued is to continue for the period of the license unless revised and adjusted by the commission in the manner prescribed by law. This charge is also to be considered as part of the operating expense of the project. Failure to pay the charge to the state shall be cause for immediate revocation of the license. But in this event the state must pay the licensee the amount of the enhanced value of the state property resulting from any improvements made. This payment, however, is not to exceed the amount of the reconstruction cost of the project less certain deductions in case the licensee has a profit exceeding 8 per cent of the actual and reasonable cost.

Certain requirements with reference to the development and maintenance of the project must also be included in the license. These provisions include a time limit for the construction of the project works and provide for periodic reports to the commission in which the progress of the project together with the costs thereof shall be set forth. Requirements that the license shall at all times keep the project in good repair and efficient working order are also to be included. Repairs and replacements may be ordered by the commission after investigations and hearings at which evidence of their necessity shall be set forth. The failure of the licensee to act in accordance with these provisions shall constitute cause for the revocation of the license. In case the license is revoked because the construction is not begun within the time limit, the licensee can recover no damages from the state. In case the revocation occurs after the construction has been begun, the state may elect to take title to all the works and structures erected on state land. Under such conditions payment may be made for the enhanced value of the land. The law also authorizes the use of the power of eminent domain with certain reservations.

In addition to the foregoing conditions in the license, the law requires that it shall include a provision to the effect that "upon the expiration of the license period any and all interest of the licensee in and to state property which is covered by the license, together with any and all structures and works thereon shall rest in and become the property of the state free and clear of any and all liens and encumbrances." There is a limitation to this provision, however, in that the commission may allow certain payments to the licensee on account of improvements to the property of the state. Such allowance shall not be greater than the reconstruction cost less deduction for the aggregate income over 8 per cent after expenses have been deducted.[1]

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[1] "'Reconstruction cost' of a project or any

The law also provides that "every license issued under this article for a project shall contain a provision expressly reserving to the state the right to regulate and control the use and distribution of the power generated by any licensee, and to fix reasonable rates to be charged by the licensee under all circumstances for furnishing heat, light, or power generated wholly or partly by the use of property covered in the license, and to regulate the service, capitalization, and secured debt of the licensee and the licensed project. Responsibility for this regulation is placed upon the public service commission which is to proceed upon the basis of the provisions of the public service law relative to "electrical corporations and of the manufacture, sale and distribution of electricity" which are reaffirmed in the Water Power Act.

5

These are the principal provisions of the Water Power Act of 1921. Since that date the law has been amended in some particulars. In general these amendments do not change the basic principles of the law nor fundamentally alter the power policy which it enunciates. The reorganization of the state administrative system in 1927 caused certain changes to be made in the title and personnel of the commission which is to be responsible for the administration of the Power Act. The State Departments Law provided that the water control commission, a division of the conservation commission charged with supervision of the problems of water supply and flood control, and the water power commission, which was created in 1921 by the original Water Power Act, should both be abolished.[1] The powers and duties of both were thereby transferred to a new water power control commission to consist of the conservation commissioner, who should be the chairman of the commission, the superintendent of public works, and the attorney general. This new commission thereby became the head of the division of water power and control of the conservation department.

This law also provided that "a license issued under the provisions of such article by the water power and control commission shall not be effective until approved in writing by the governor" and "a modification of such license shall not be effective until approved by the governor in like manner." Both of these changes became effective on January 1, 1927, and are now part and parcel of the water power law of the state. There have been other minor amendments from time to time which need not be considered here. The requirement that the governor's approval must be secured is, however, of prime importance. Due to the fact that the governor now appoints the conservation commissioner and the superintendent of public works, the change in the personnel of the commission is also likely to have a pronounced effect upon policy. Both changes very materially increase the power of the governor over the development and control of the water power resources of the state.

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part thereof means the actual and reasonable original cost to the licensee of the lands of such project or such part, less depreciation if any, plus the cost of reproducing the ways, means, and works thereon, less the depreciation of such ways, means, and works including in such costs a reasonable allowance for organization and development expenses, but excluding therefrom any allowance for the value of the license or the contract lease or franchise, or value as a going concern, or future profits in pending or existing contracts or prospective profits, revenues, dividends, or any other intangible element." (Consolidated Laws of New York State, Chapter X-A, Article 610, Section 10.)

[1] New York State Session Laws, 1926, Chapter 619.

6

The basic principle of the Water Power Act of 1921 is private development of the power resources on authorization of a commission of the state government granted through the medium of a license which shall have a maximum term of fifty years. The specific provisions of the license which are mandatory and of most importance are: fifty-year maximum term, an annual rental charge, time limits on the preliminary surveys and upon the actual construction, use of the right of eminent domain and final re-entry of the state at the expiration of the license under certain conditions. It is this power policy which the water power commission attempted to put into effect during the period 1921–1926. This attempt finally culminated in the controversy between the commissioners then in office and Governor Smith. The development of this dispute will be the subject of the next chapter.

CHAPTER II

ADMINISTRATION OF THE WATER POWER ACT, 1921–1926

1

Since the Republican party in 1921 was in complete control of the departments of the state government, including the water power commission, it was generally expected that immediate and rapid progress would be made in the development of water power in accordance with the principles of the water power policy which had been enacted into law by the legislative leaders of that party. But it is apparent that the situation is as hopelessly deadlocked at the present time as it ever has been since 1907. This chapter will be devoted to a narration of the events which took place during the period 1921–1926 which show the reasons for this lack of progress. If we seem to emphasize the St. Lawrence situation to the exclusion of the problems connected with the Niagara and the inland rivers, it will be due to the fact that the chief point of contention during this period was with reference to the development of the former. It must be remembered, however, that the problems on the St. Lawrence and the Niagara are very similar, and the main points of the controversy between the governor and the water power commission are equally applicable to the Niagara.

2

During the period 1921–1926 the water power commission received thirty-four applications for licenses to develop water power at various points in the state. Of these applications twenty-three were for the use of surplus canal waters; two were for rights on inland rivers; five involved the waters of the Niagara; and four the St. Lawrence.

Between 1921 and 1924 none of the applications involving the surplus canal waters were acted upon by the commission. During the years 1921–1922 the superintendent of public works did not certify to the commission that surplus waters not necessary for navigation purposes were available. Such certification was necessary before the commission could act with reference to these waters. Then in 1922 the legislature passed a law authorizing the superintendent of public works to extend the state development of the water powers of the canal waters so that the various canal structures might be supplied with electric current.[1] The law provided that any surplus current not needed for this purpose might be sold on the market. It also carried an appropriation for the construction of two state power houses at Crescent Dam and Vischer's Ferry. As a result of this law, opportunity for private exploitation of the waters of the canal was limited and the commission approved only the state projects upon which the construction was immediately begun.

In 1923–1924 the commission came under the control of the Democratic party which was on record under the leadership of Governor Smith as being opposed to the policy of private development. As a result of this attitude on the part of the commission of 1923–1924 all applicants for surplus water power rights on the canal were notified by the commission on September 25, 1924, that it would dismiss their applications in view of the policy of state development of such water powers which had been enunciated by the law of 1922, referred to above, and which was being put to practical application at Crescent Dam and Vischer's Ferry. For these several reasons, therefore, no licenses for private development of surplus canal waters were issued during the period 1921–1924.

In 1925, however, the results of the 1924 election made themselves manifest in the personnel of the commission which again came under the control of the Republican party. The "leaning" of the new commissioners was now to be toward the policy of private development. Immediately several applications for use of surplus canal waters were received and considered by the commission. In 1925–1926 four licenses were issued for projects of this nature and rental charges were fixed in each case. Thus between 1921 and 1926 only six licenses of this type were issued, two of which were for state projects.

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One of the two applications involving the inland waters pertained to a project upon Moose River which would necessitate the flooding of state lands in the forest preserve. Since the constitution of the state as amended by the so-called Burd Amendment of 1913 allowed only 3 per cent of the forest preserve to be flooded and then only in the interests of "public health and safety," this project was illegal.[2] It was illegal because water power development does not come within the scope of the "public health and safety" clause. In an attempt to remedy this situation the legislatures of 1922 and 1923 passed the necessary amendment to the constitution, but it was denied ratification by the people in the referendum of 1923. In view of these considerations the commission dismissed the application for the Moose River project in September, 1924. The second inland river application involved the waters of the Hudson River. No action has yet been taken upon this application.

4

Of the five applications pertaining to the Niagara River four were submitted during the first year. Three of these were for projects in the Niagara Gorge and one involved a diversion above the Falls greater than the treaty between the United States and Great Britain would allow. Action upon the latter was deferred until the treaty provisions should be altered. Hearings were held at various times during the years 1921, 1922, and 1923 for the consideration of the other applications. Applications Nos. 8 and 16 concerned the same project; namely, the utilization of the water returned to the foot of the Falls after it had once been used by the Niagara Falls Power Company. A preliminary permit was issued by the Federal Power Commission in 1922 to the Lower Niagara River Power and Water Supply Company, but the state water power commission took no definite action upon the applications until 1924. Application No. 17, which involved the waters of the lower part of the river but which was designed to utilize them in a different way, was not acted upon by the commission previous to 1924 due to the lack of sufficient data as to the feasibility of the plan.

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[1] New York State Session Laws, 1922, Chapter 532.

[2] Constitution of New York State, Article 7, Section 7.

As was mentioned above with reference to the applications for utilizing surplus water from the canal, the water power commission in 1923–1924 was under the control of the Democratic party. Acting upon their avowed support of the principle of public development, the commissioners in September, 1924, denied all the applications involving the waters of the Niagara River. But when the Republicans once more were in control in 1925, the activity with reference to these applications was renewed. In September of that year the Lower Niagara River Power and Water Supply Company, which had previously applied for the waters of the gorge through application No. 8, introduced another petition to the commission (No. 27) for the same project. In November of that same year the commission issued a preliminary permit to that company for three years which was to enable it to file complete data with the commission. The issuance of this preliminary permit is the only definite action taken looking toward the development of the waters of the Niagara River during the period 1921–1926 with the exception of the wholesale denial of applications by the Democratic commission in 1924.[1]

From 1921 to 1925 all the commissions had labored with the problem of fixing an annual rental charge which the Niagara Falls Power Company should pay for the amount of the water which it was diverting in excess of 15,000 cubic feet per second. When the Niagara Falls Power Company, the Hydraulic Power Company of Niagara Falls, and the Cliff Electrical Distributing Company were consolidated in 1918 by legislative enactment, the diversion of 15,000 cubic feet per second was authorized. Since this was done by legislative enactment, there could be no rental collected for that diversion because the charter granted at that time made no provision for it. The consolidation act of 1918 expressly stated, however, that any diversion in excess of this amount should be the basis of an annual rental payment to the state. Finally after years of bickering with the company the commission was able to reach an agreement with them and in April, 1925, the whole matter was adjusted satisfactorily. The amount of excess diversion was fixed at 4,400 cubic feet per second. The annual rental charge for the same was fixed at $60,000 with a lump charge of $120,000 for a smaller amount of water was used between 1922 and 1925. The first payment was made in 1925 and now the state is receiving a substantial revenue from this source.

5

Three of the four applications involving the waters of the St. Lawrence were presented to the commission during the first year of its existence. They were presented by the Louisville Power

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[1] For copy of preliminary permit so issued see N. Y. State Water Power Commission, Sixth Annual Report, 1926, Appendix No. 4, pp. 58–64.

Corporation which sought a license for rights near Croil Island (application No. 12), the St. Lawrence Transmission Company which desired rights in the vicinity of the Long Sault (application No. 14), and the St. Lawrence River Power Company which was seeking a license to use a submerged weir at Massena (application No. 21).

The last-mentioned application was merely an attempt to secure a license to continue the use of this weir which had been built during the war without authorization of the state. The parent corporation of the applicant was the Aluminum Company of America, which was engaged in the manufacture of war materials at the time that the weir was built. The authority for its construction was granted by the United States government and the International Joint Board of Engineers. There was no opposition to the application, but there was some difficulty in reaching an agreement as to the annual rental which should be charged. During the year 1925, after nearly four years of controversy, the rental charge was fixed at $11,000 per year dated from January 1, 1922. On this basis the license was issued by the commission and accepted by the company.

The other two applications made at the same time were not disposed of quite so simply. Both applicants, the Louisville Power Corporation and the St. Lawrence Transmission Company, were owned by the Frontier Corporation. The Frontier Corporation was in turn owned and controlled by the General Electric Company, the Aluminum Company of America, and the E. I. Dupont de Nemours Company. The St. Lawrence Transmission Company, initiator of application No. 14, later changed its name to the St. Lawrence Valley Power Corporation, and will be so designated throughout this report. The applications initiated by these two companies were for different projects on the St. Lawrence River. Application No. 12, presented by the Louisville Power Corporation, involved the construction of two power houses in the vicinity of Croil Island together with the necessary dams, locks, etc. The other company initiating application No. 14 involved the construction of two or more power houses at Barnhart Island with the necessary dams and other structures. Hearings on both applications were held during the year 1921, and on December 29 preliminary permits were issued to both. These permits allowed the applicants to maintain the priority of their applications while securing the necessary data and completing their plans. The permits in both cases provided that the applications should be completed and all maps, plans, and data filed with the commission on or before January 1, 1925. They further provided that all the work undertaken under the permit should be subject to inspection by the agents of the commission; that full and accurate vouchers should be kept for the expenses incurred by the companies in their investigations and that the same should be presented to the commission; that no construction of any kind was authorized by the permits, and that they should be considered in force only if the applicants should accept its conditions and the provisions of the Water Power Act and its amendments in accordance with which the permits were issued. On April 20, 1922, the formal acceptances of both applicants of the terms and conditions of the permits were received by the commission. The permits were then issued. No further action was taken in 1922.

In 1923 both applicants submitted additional information to the commission in regard to the projects. No further action was taken by that body, however, because of some disagreement as to the relative status of the rights of the state of New York and the United States with reference to the waters of boundary streams. Accordingly the major efforts of the commission of that year were directed to the end of securing an understanding with the Federal Power Commission upon the disputed points. On March 29, 1923, another company, the American Super-Power Corporation, submitted two applications to the commission. One involved the waters of the St. Lawrence and the other the waters of the Niagara. The applications were not formally filed pending consideration by the commission.

The year 1924 which witnessed the wholesale denial by the commission of the applications which we have already considered also saw the same fate meted out to the two applications involving the Niagara and the St. Lawrence. They were denied by the commission on the grounds that such action was in accordance with the water power policy expressed by Governor Smith in his message to the legislature, in which he opposed "the issuing of licenses to private companies for the development of water power from the waters in which the state has a right or an interest." As a further basis for this wholesale denial of applications the commission called attention to the fact that there had been introduced in both the 1923 and 1924 sessions of the legislature a bill called the Rabenold Bill, which embodied the power policy of Governor Smith. It called further attention to the fact that this bill had passed the senate upon both occasions but had been defeated in the assembly. For these reasons the commissioners considered themselves justified in cleaning the slate in the manner which they did.

The Republican commissioners who came into office in 1925 wasted no time in condemning the action of their predecessors. They went to work on the assumption that the denial of the applications on the ground of the opposition of Governor Smith was of no effect. While holding to the above mentioned assumption, the commission, nevertheless, allowed both applicants for the waters of the St. Lawrence to present new applications for these projects so that all possible protection "to their rights might be secured." These two new applications were listed as Nos. 12-a and 14-a respectively, but were considered to be of the status of the old applications initiated in 1921. February 25, 1926, was set as the date for a hearing upon these applications. Thus during 1925 the stage was re-set so that the administration of the Water Power Act might proceed from the point at which it was so completely disrupted by the action of the Democrats.

6

By this time it was evident that the commission fully intended to grant a license to one of the applicant companies for the development of water power on the St. Lawrence. Hearings, conferences, and general discussions were held one after the other. The office of the state engineer engaged in a comprehensive study of all the proposed plans so that accurate data might be available to the commission which could serve as a basis for subsequent action.

One of the first concerns of the commission in 1926 was a consideration of the status of the application of the American Super-Power Corporation which, as we have noted, had submitted two applications to the Democratic Commission in 1923. The applications at that time had not been formally received and accepted by that commission, probably on account of the fact that its members had already determined to deny all pending applications. After an extended hearing upon the question, the new commission decided that "in its consideration of the problem it would deem the application of the American Super-Power Corporation as having been filed on March 29, 1923." It was then filed as application No. 32, but having the "time-status" of its first submission to the previous commission.

On February 25, 1926, the first hearing by the new commission relative to the applications of the Louisville Power Corporation and the St. Lawrence Valley Power Corporation was held. This hearing was well attended by the representatives of various civic organizations throughout the state who were interested in presenting to the commission their attitudes concerning the power policy of the commission in general, rather than their opinions about the specific projects immediately involved at the hearing. Together with the introduction of resolutions on the part of the representatives of such organizations, testimony was taken from representatives of the applicant companies as to the financial responsibility of the Frontier Corporation, the parent company of both applicants, and as to the interest of the General Electric Company, the Aluminum Company of America, and the E. I. Dupont de Nemours Company in the development of the water powers of the state. Testimony of George T. Bishop, the president of the Frontier Corporation, was taken. As to the engineering qualifications of the applicants, Colonel Hugh L. Cooper testified at considerable length. Colonel Cooper was the consulting engineer of the company that would undertake the actual construction in the event that either one of these two applicant companies should have been granted the license. Considerable portions of his testimony were concerned with the narration of his experiences with government projects as compared with those under private management. The stenographic report of this testimony indicates that he portrayed without reservation the relative inefficiency, waste, and delay which he had always experienced with government projects.[1] He predicted with no uncertainty that the St. Lawrence project would entail tremendous extra expense and delay if it should be undertaken by the state of New York or a corporate organization of the same.

At this time both of these applications were drawn up on the basis of a two-stage development. That is, their plans called for the construction of two dams and power houses at two different points on the river. On April 9, 1926, however, the St. Lawrence Valley Power Corporation submitted a new plan which provided for a one-stage development. This plan proposed only one dam, but that of sufficient size so that it would take advantage of the complete flow of the river. A hearing upon the technical features of this new plan was held at that time. On May 6, 1926, the American Super-Power Corporation presented its plans and estimates to the commission. The company also requested more time in which to prepare new plans which seemed more feasible as a result of further study of the features of the St. Lawrence River. This extension of time was granted and on June 3, 1926, a further hearing was held at which this applicant submitted four alternative plans for this project, complete in each case with maps and estimates.

During the summer of 1926 no further hearings were held. The members of the commission devoted this time to conferences with the officials of Ontario and the hydro-electric commission of that province. The purpose of these conferences was to bring about an agreement with the interested and responsible Canadian government and power officials as to the type of development which should be used on the St. Lawrence. All of the plans under consideration of the New York water power commission were submitted to these Canadian officials. The gist of the results of these conferences was that the Canadian officials expressed substantial agreement with the proposed plans, but that until the state of New York had designated its licensee or had decided upon what basis it desired the development to take place, no complete accord or understanding would be possible. Until some company or state agency had been empowered by the proper authority of the state of New York to undertake the actual development of this resource, the Ontario hydro-electric commission which had already been so empowered by the province would be unable to come to a final decision as to the details of the project. In addition to these activities of the commission, State Engineer and Surveyor Roy G. Finch undertook an extensive survey of the project. On June 29, 1926, he presented his report to the commission which sets forth his findings and in which he recommends certain "terms and conditions" which should be included in the license when issued.[1]

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[1] Report not published.

One section of the Conservation Law (a portion of which consists of the Water Power Act) requires that when the commission shall have secured sufficient data upon the project for which a license is sought by two or more applicants, it shall determine the terms and conditions which shall be included in the license, when and if issued, together with the rental charge which is to be levied upon said project. The commission is also required to set forth its conclusions in this regard in the form of a formal "determination." Then, in case one or more of the applicants indicates willingness to accept and abide by the terms and conditions so determined, including the rental fee, the commission shall set a date for a final hearing at which time a license may be issued in accordance with the provisions of the law which establish the preferences to be allowed in granting the license.[2]

In accordance with this provision of the law the commission on September 24, 1926, adopted a "determination."[3] This determination set forth in legal phraseology the terms and conditions which would appear in, and in fact constitute, the license if granted. This was accepted by two of the three applicant companies—namely, the American Super-Power Corporation and the St. Lawrence Valley Power Corporation. On October 15, 1926, hearings were held to establish the financial responsibilities and reliability of the two companies and to determine the relative amount of experience which they had had with reference to similar projects. The method of financing the project was at this time under consideration. Both companies were given until December 1, 1926, to furnish information on all these points and December 8 was set as the date of the final hearing. This brings our story down to the point of the intervention of Governor Smith which resulted in the withdrawal of both applications.

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[1] N. Y. State Water Power Commission, Sixth Annual Report, Appendix No. 1, pp. 27–35.

[2] N. Y. State Conservation Law, Article 616, Sections 2 and 5.

[3] N. Y. State Water Power Commission, Sixth Annual Report, 1926, pp. 35–49.

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Governor Smith had always been consistently opposed to the principles of the Water Power Act of 1921. In many speeches to the public and in every message to the legislature he consistently advocated a power policy much opposed to the one embodied in this law. It was, of course, under his leadership and largely due to his influence that the commission of 1923–1924 denied all the pending applications. Thus the Republican commission in power during the years 1925–1926, working with the avowed intention of issuing a license to allow private development of the water powers of the St. Lawrence, was "flying its flag of private development" directly in opposition to the governor. By November 1, 1926, the members of the commission had come to an agreement concerning the terms and conditions of the license, had set forth a "determination" which had been accepted by two of the applicant companies, and were ready to grant the license as soon as they could determine which should receive the same. With such a situation existing, the interested observers of political events in the state were curious as to what the governor would or could do to prevent the commission from accomplishing its purpose. The situation looked hopeless from the point of view of a supporter of the Smith power policy. But on November 3, 1926, the first of a series of telegrams and letters was received by the members of the commission from the governor in which he vigorously and ably protested against the intended action of that body.[1] It was this series of telegrams and letters which was the direct cause for the withdrawal of the applications before the commission.

We must mention at this point that on January 1, 1927, the legislative enactments effecting the long-discussed reorganization in the administrative structure of the state government were to go into effect. They had been passed by the legislature at its 1926 session. We need not discuss the general theory of this reorganization movement, but we must mention that in accordance with it the water power commission was to be abolished and would legally go out of existence on January 1, 1927. In its stead there was created, as we have mentioned elsewhere,[2] a water power and control commission which was to head a division of that title in the conservation department. The important feature of the change was not the change in name or alteration of its position in the skeleton outline of administrative agencies; the important consideration and the one which interested both the governor and the members of the expiring water power commission was that the new commission would be composed of the conservation commissioner, the superintendent of public works and the attorney general. What made this change in composition so extremely important was that after January 1 the governor would appoint two of the three members of this new commission. The attorney general would be the only elective official on the commission and the only one not directly under the control of the governor. In this way the governor would have complete control of the commission after the first of the new year. In addition to this we must remember that the Water Power Act had been amended so as to require that the governor should sign all licenses and permits issued by the new commission before they should be considered legal and in effect. This provision was also to be effective on the first day of January, 1927. It was quite evident to all concerned that, unless a license was issued by the expiring commission before the first of January, no license would be issued at all at least for the next two years. It is not at all difficult to understand, therefore, why the commission was so eager to proceed rapidly with the act of granting the license and why the governor was equally determined to block such action at all hazards. This was the reason for the interesting verbal tilt via telegram and letter which took place in November and December, 1926, between the governor and the members of the commission.

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[1] For a reproduction of this series together with the replies of the commissioners to the same see N. Y. State Water Power Commission, Sixth Annual Report, 1926, Appendices 6–10, pp. 67–76.

[2] *Ibid.*, p. 31.

The governor's telegram to the Hon. Alexander MacDonald, chairman of the Water Power Commission, on November 3, 1926, called upon him to use his personal influence to prevent the members of the commission from issuing the license as they contemplated doing. He based his appeal on the grounds of the impending change in personnel, organization, and procedure which we have discussed above. On December 2, almost one month later and but six days before the date set for the final hearing on the applications, the commissioners, Chairman MacDonald excepted, sent a reply in the form of a detailed letter.[1] This reply to the governor's request for delay was in general a categorical denial that he had shown any reason for such action. The letter began with a review of power legislation in the state and the activities of the several water power commissions during the years 1921–1926 which we have already set forth in this chapter. The commissioners pointed out that such activities had been undertaken under the provisions of the Water Power Act of 1921 which they emphasized was the first and only power policy which had been enacted into law. They suggested to the governor that his objection to their intention of issuing a license was based on a question of policy and not one of administration; that the power policy of the state as outlined in the statute would still be in full force after the first of the year despite the change in the organization of the administrative machinery to put that policy into effect; that the legislature was in substantial harmony with reference to its support of this power policy; and that although the members of the new commission might have different ideas, they would still be under obligation to administer the power policy as sanctioned by the legislature. They reminded him that he had sought in vain to have the legislature alter that policy and that there was little if any possibility that the new legislature of 1927 would alter it in the slightest degree, and certainly not to the extent of changing the fundamental policy of private development under lease. In view of these facts and considerations the commissioners expressed to the governor their sincere belief that they were justified in refusing to alter their plans because of his opposition.

In conclusion of the rather lengthy communication the commissioners listed what they termed "special and peculiar reasons why further delay would be disastrous to the best interests of the people of the state." These "special and peculiar" reasons included the statements that the industries of the state were being hampered by the lack of sufficient low-cost power and that an industrial expansion of a billion dollars was being delayed; that the St. Lawrence could be developed only with the coöperation of Ontario and that this province had stated through its officials its immediate need of additional power; that if there was to be a delay Ontario would secure this needed power elsewhere and would then not be willing to coöperate at a later date in the development of the St. Lawrence; and that unless the state should act immediately, the development of the St. Lawrence would be undertaken as a navigation project by the federal government in which case the power development would be incidental, saddled with the expense of the whole project, and controlled by the federal authorities. As a parting concession to the governor, the commissioners stated that although there was no possibility that the 1927 legislature would repeal the Water Power Act, and while proceeding to grant the license on December 8, they would insert in it a provision that in the event the 1927 legislature should change its power policy, the license so issued would automatically become null and void.

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[1] Letter signed by Commissioners Finch, Ottinger, Knight, and McGinnies.

On the next day, December 3, the governor replied to the letter. He again stressed the relation of the administrative reorganization to the administration of the Water Power Act. He stated that the purpose of the reorganization and especially of the amendment to the Power Act calling for the formal approval of the governor to all licenses was to place "the responsibility for important administrative duties where they belong"; namely, upon the governor. He claimed that these changes proposed by the Hughes Commission and enacted into law in 1926 were in spirit and purpose operative as soon as enacted although not legally in force until the first of January, and that to proceed with the attempt to license a project on the St. Lawrence would be in direct violation of that spirit and purpose. He refused to concede their avowed "special and peculiar reasons" for haste, noting that the federal and Canadian engineers were not in agreement as to how this river should be developed for "Great Lakes to the sea" navigation. He stated that a long period of time would elapse before that development would take place and that there was no danger that the rights of the state of New York over the power resources of that river would be usurped by the federal government. In conclusion he wrote, "I ask you again as governor and as governor-elect to refrain from any further action on this proposed lease in the few days left before you go out of office."

The governor followed two days later with another letter addressed to each member of the commission. This was in the nature of a formal notice to them that he had retained Samuel Untermyer as special counsel, to advise him and "to take such action in the courts as may be deemed necessary for the protection of the interests of the state." He requested that if the commission was still intent upon granting the license they would delay that action until December 18, during which time his special counsel might complete his investigation of the situation and prepare the necessary papers to seek an injunction in the courts to prevent such action. He informed the commissioners that copies of this letter were being sent to the American Super-Power Corporation and the Frontier Corporation, "who are hereby put upon notice and will act at their peril." Finally upon December 8 he addressed a final letter to the commissioners, indicating to them that Mr. Untermyer had informed him that the proposed license was illegal and that "on the face it appears to be an option" which the commission did not have the authority to grant. With such a state of affairs he renewed his request that action be deferred.

The upshot of this verbal combat was that the two applicants immediately withdrew their acceptances of the "determination." The American Super-Power Corporation based its withdrawal on the grounds that none of the plans had received the approval of the federal authorities and even that the New York commission itself had not determined upon final plans. The Frontier Corporation, through its president, withdrew the acceptance of its St. Lawrence Valley Power Corporation on the grounds that "political difficulties and the governor's threat of litigation" constituted an extra burden which complicated the problem and that "the benefits from the grant are too slight at best to warrant us in assuming these extra burdens."[1] Thus ended the first real engagement between the governor and the commission. Thus the governor was able to prevent the commission from granting the proposed license for the private development of the St. Lawrence and to secure the postponement of such action for the period of his term of office.

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But what plan did Governor Smith have to offer? That is a natural and inevitable question which one should answer after disclosing the persistence with which he combatted the program of the water power commission which sought to put into effect the provisions of the power policy expressed in the Power Act of 1921. The average American professes a dislike for a destructive critic and the governor was too wise in the ways of practical politics and also too completely a student of the problems of the state to be caught napping in this regard. He had a plan which he had proposed and supported continuously since 1924. In the next chapter, therefore, we shall briefly consider the governor's plan for a power authority.

CHAPTER III

THE STATE WATER POWER AUTHORITY

1

During the entire period of his activity in public life, both as a member of the assembly and as the chief executive, Governor Smith had championed the cause of the state development of the water power resources which it owns or in which it has definite rights. As a member of the assembly and as the Democratic leader of that body he supported through his vote and his influence the plan for the development of water power which had been proposed by the conservation commission of 1911–1914. It will be recalled that this plan proposed that all dams, power houses, transmission lines, and all other works that were necessary for the development of the water powers of the state should be constructed and operated by the government of the state. The plan in effect provided for a state power industry in which transmission and sale to municipalities as well as the generation of the electricity should be the business of the state. Mr. Smith, who was at that time an assemblyman, wholeheartedly approved this sweeping and progressive plan and brought to bear all of his power in the legislature in a vain attempt to secure its adoption. Although this plan did not receive legislative sanction, and despite the fact that the personnel of the conservation commission was changed in 1915 so that Republican policies were recommended to the legislature by that agency, still Mr. Smith remained stubbornly opposed to any plan other than state development.

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[1] N. Y. State Water Power Commission, Sixth Annual Report, 1926, Appendix No. 6.

When he became governor for the first time on January 1, 1919, he wasted not a moment in urging the legislature to provide for such type of development. In his first annual message to that body he very emphatically reiterated his belief that if the people of the state were to receive the benefit from these resources, it would be necessary for the state to retain complete ownership and control over them and to pursue the development through the medium of a state agency. This same recommendation of policy and this same insistence that the situation demanded government ownership and operation have characterized every speech that he has made on the subject.

In a special message to the legislature in 1923, we find him asking that body to authorize the state engineer to begin developmental operations on the St. Lawrence and Niagara Rivers.[1] In the same message he asked the legislative body to repeal the provisions of the laws of 1921 and 1922 which provide for private development under lease and to substitute for them a policy of state development. This request was ignored by the legislature as was to be expected.

In his annual message of January, 1924, we find him proposing for the first time the creation of a power authority as an agency of the state which should be charged with the task of the development of these resources.[2] Previous to this time his program had called for this development by some ordinary agency of the government. From 1924 to the time of his retirement from office every annual message to the legislature had insisted that the power authority should be created and the policy of private development should be repealed. The same program had been the subject of several special messages to that body. All such requests of the governor were accorded little consideration and far less support in the legislative body.

Nevertheless, he never wavered from his position on the problem during all the years in which he held public office. As assemblyman and as governor he stood for this policy of state development. Since 1924 his policy specifically included the creation of a power authority modelled after the Port of New York Authority. At times one hears the insinuation that the governor insisted upon his policy in opposition to the Republicans merely for the sake of partisanship. Anyone who has studied his record on the question, however, must realize that such a charge or such an implication is groundless. The governor may have been wrong. The Republican leaders contended that he was wrong. On the evidence of his consistency in the matter, however, one must come to the conclusion that if he was in error, he was sincerely and honestly so.

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The reason for the governor's stand as expressed by himself is that "the water powers of this state are the property of all the people, and that when developed the people should be the beneficiaries." He added that

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[1] Governor Alfred E. Smith, *Message to the Legislature*, 1924, Legislative Document No. 3, 1924, pp. 13–15.

[2] Governor Alfred E. Smith, *Message to the Legislature Relative to Water Power Development*, Legislative Document No. 76, 1923, pp. 3–4.

"if the people themselves are to get the full benefit of the development of their water power resources it will have to be done in conformity with the ideas (of the people who believe) in ownership, development, and operation by the state." He based this statement on the observation that "in every spot in this state where, by our past policy, we have permitted private development, nobody has been benefited but the individuals who were lucky enough to secure the rights." There are other arguments which the supporters of the idea of the power authority have advanced to support their views. They cannot be considered here. Suffice it to say that the governor's policy grew out of the belief on his part that the above conditions and observations were sound. Consequently he opposed the extension of private development and proposed the idea of the power authority which we shall now consider.

3

The essential details of the plan for a power authority are exceedingly simple and can be outlined briefly. A complete understanding of them can be secured by examining the provisions of the Bloch bill which was the power authority bill introduced in the 1927 legislature by the Democratic leader of the assembly.[1]

The central provision of the plan was that the legislature should create "as the corporate instrumentality of the state, a body corporate and politic, perpetual in duration, capable of owning property, borrowing money and making contracts, to be known as the New York State Power Authority." The idea was that to this "body corporate and politic" should be given by legislative grant the title of all the natural resources in flowing water to which the state had claim or in which it had definite rights at the time. This agency as an instrumentality of the state was to develop such resources in the interests of the people of the state. The power authority was to be composed of three commissioners appointed by the governor "by and with the advice and consent of the senate." These commissioners were to be selected originally for "staggered" terms. That is to say that they should be appointed for terms of seven years, five years, and three years, respectively. When the term of each commissioner expired, however, the successors were to be named for five years which was to be the legal term of office for this position. These commissioners were to be paid no salary, but were to be furnished with adequate expense activities. The chairman and vice-chairman were to be selected by the three commissioners from their own number. They were also to have the privilege of selecting a secretary and other permanent administrative subordinates who should be necessary to secure a sound organization. The commissioners were to be specifically authorized to secure the services of engineering and financial experts whenever they should be needed.

The power authority was to have the rights and privileges of a body corporate and politic. That is to say, in the first place, it was to be a corporation with all the rights, powers, and duties of such. In the second place it was to be a definite instrumentality of the state created to perform a public function. As such it would be given some of the powers and privileges adhering to state agencies. Specifically it was to be given the power "to build, operate, and maintain dams, power houses, and transmission lines and to acquire land for such purpose by purchase or condemnation." To

[1] Assembly bill No. 381.

enable it to perform its specific function completely the authority was also to be given the power to "sell water and/ or electric power . . . and to contract for the sale of power" which would be generated by the structures which it was to be authorized to build and operate on the rivers and other waters to which it was to be given title by the legislature.

The general grants of power which were to supplement the ones alluded to above, included the usual corporate rights "to own, hold, and/ or lease real or personal property, to borrow money and to secure the same by bonds or liens secured by the revenue from any property held or to be held by it." To this group of rights was to be added that of a body politic to condemn land needed by the authority for the efficient development of the water powers of the state. Also of this nature was the provision that as a body politic the power authority should not be taxed for the bonds or securities which it might issue nor the property which it might own. These were the general powers which it was intended that the agency should have if created by the legislature in accordance with the recommendations of the governor.

There were two limiting provisions which were included, however, for the purpose of better insuring the public interest. In the first place it was to be specifically provided "that all property so held by the power authority including the natural resources of the state, should remain forever inalienable as the property of the state." Secondly, it was to be reserved "that said power authority shall not at any time pledge the credit of the state, nor shall any of its obligations be deemed obligations of the state unless the same be so made by express act of the legislature."

Here in skeleton outline we have the power authority which was proposed by Governor Smith and sanctioned by his party. Rather than to allow private corporations to develop the water power resources of the state, he proposed that a state agency should be created in the form of a "body corporate and politic" with the rights and powers which we have outlined above. He proposed that to such an agency should be transferred the title to all the water powers belonging to the state and upon it he would have placed the responsibility for the development of the same in the interests of the public. He proposed that this agency should finance the projects without the aid of the credit of the state. He expressed confidence in the idea that this body would be able to market its bonds and securities secured by the property which it would hold and also by the profits which would accrue to it upon the completion of the developments and the generation and sale of the electricity. In this manner the large sum of money necessary to consummate the project would be raised. He prophesied that the power authority would have no trouble finding purchasers for its security offerings and what is more, at a low rate of interest.

Governor Smith did not propose that this agency should sell the electricity direct to the municipal distributing companies as was urged by the old conservation commissioners, but rather that it should merely construct the projects, install the necessary machinery, and generate the electric energy which it should sell at wholesale to private transmission companies. These companies would carry the electricity throughout the state, marketing it to the local distributing companies which were already doing business. According to this plan the wholesale marketing of the electrical energy would be handled by means of long-term contracts. These contracts would not only fix the wholesale price of the electricity, but would also rigidly provide for the price at which it should be sold to the ultimate consumer. In other words, the amount of profit which the private transmission and distributing companies would be allowed to make would be provided for in the contract.

The theory of the above type of arrangement is known as regulation through the "contract power" of the state as distinguished from the usual type of regulation under the "police power." The latter is the type of regulation that is afforded under public service regulations. The governor contended that regulation under the "contract power" was one of the most important features of his whole plan. He called attention to the fact that the theory of valuation of public utility companies for purposes of rate-making had become enormously involved and complicated within recent years. Under the police power and through public service regulation the companies engaged in public utility business had been allowed to earn a fair profit not only upon the amount of their real investment but also upon certain intangible considerations such as going value and reconstruction cost. This tended to raise the price of public utility services to the ultimate consumer. One of the features of the plan for the power authority was, therefore, an attempt to substitute another type of regulation which will effectively exclude the consideration of good will, reconstruction costs, and going value as factors in the determination of the value of the investment upon which the public utility should be entitled to a fair return.

Therefore Governor Smith provided a plan for state ownership, development, and operation of the water power resources and structures necessary to generate electricity on the one hand, with private transmission, distribution and sale of this electricity, subject to state regulation through the contract power on the other hand.

CHAPTER IV

THE PRESENT SITUATION

1

SINCE the governor was successful in his attempt to block the progress of the Republican power policy, there were subsequently several skirmishes but no major engagements between himself and the Republican legislators on the matter of water power development. During the 1927 and 1928 sessions of the legislature verbal "brickbats" were hurled from both sides, but neither seemed to have been able to penetrate the breastworks of the other.

On January 10, 1927, a bill was introduced for the purpose of providing for the creation of "a temporary commission to study and investigate the water power situation in the state with particular reference to ascertaining the proper manner for the development and utilization of the water power resources of the State."[1] This bill never came out of committee. It was introduced for the purpose of providing a definite proposal which should serve as a basis for discussion and criticism in the legislature, the majority party of which was engaged in the task of attempting to frame some legislation which might break the deadlock.

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[1] Assembly bill No. 79, 1927.

On January 24, 1927, Assemblyman Bloch introduced a bill which sought to create a New York state power authority in accordance with the policy of Governor Smith.[1] This bill was designed to accomplish several things. In the first place it created the power authority and outlined the powers and duties of that agency. It directed that body to investigate thoroughly the whole water power situation and to confer and advise with expert engineers and bankers upon the problem. After such investigation the authority was to present to the 1928 legislature a comprehensive plan for the development and utilization of the water power resources of the state—a plan complete in all details regarding the construction and operation of the power houses, dams and other structures, together with complete data upon the method of financing the projects and controlling the sale of the resultant power to the transmission companies and to the consumer. The bill also vested the title to all state water power resources in the power authority and expressly repealed the provisions of the laws of 1921 and 1922 which embodied the water power policy of the Republican party. Naturally this bill was not allowed to see the light of day in a legislature controlled by the Republican party.

On March 11, 1927, Senator Hewitt in the senate and Assemblyman Sargent in the lower house introduced identical bills which sought the creation of an investigating commission.[2] These bills represent the product of the discussion and criticism on the part of the Republican members of the legislature of the previous bill introduced by Mr. Sargent.[3] The commission which was to be established by this bill was to be charged with the duty of investigating all the proposed plans or any other plan that might be proposed in the future and to report to the 1928 legislature its conclusions as to the plan most adapted "to conserve the public interest, accomplish the efficient and complete development of such resources and preserve to the people of the state inalienable its water power resources." This bill represented quite an improvement over the other one introduced by Mr. Sargent. Particularly was this true of the method of selecting the personnel of the commission. The new bill proposed that this commission should be composed of five members of whom two should be selected by the governor, two by the legislative leaders, and the fifth to be chosen by the four already selected. This bill passed both houses of the legislature but was vetoed by the governor on the grounds that the creation of a mere investigating commission was a waste of time.

On March 14, 1927, another bill was introduced by Assemblyman Bloch designed to create the water power authority to endow it with powers of investigation and to charge it with the duty of bringing to the legislature a complete plan of development.[4] This new bill would therefore seem to be almost a duplicate of the one previously presented by the Democratic leader. It differed from the previous one, however, in that it did not seek to vest the title to the water power resources in the power authority and did not seek to repeal the provisions of the Water Power Act of 1921. In other words two of the most odious provisions (from a Republican standpoint) of the previous bill were removed. The new bill still created the power authority, however, and as in the previous case charged it with the responsibility of proving to the legislature that the governor's plan could be efficiently employed in the development of the power resources of the state. As was to be expected, the legislature failed to pass this bill.

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[1] Assembly bill No. 381, 1927.

[2] Assembly bill No. 2100, 1927.

[3] Assembly bill No. 79, 1927.

[4] Assembly bill No. 2121, 1927.

On the same day that the above bill was introduced its author presented another which sought legislative authorization for a referendum on the whole question.[1] The legislature refused to pass the bill. This action was defended in a statement which read to the effect that the problem was too complicated and involved to lend itself to popular decision.

2

The introduction of these bills and the action taken upon them which we have just described constituted the only overt action taken by either side during the 1927 session of the legislature. In the 1928 session, somewhat the same form of activity occurred. A Democratic proposal was submitted patterned after the bills which were introduced by Mr. Bloch in the 1927 session and designed for the same end. The 1928 bill was, however, quite an improvement in many respects over the previous ones. In it the Democrats met one objection of the Republicans, by providing that the power authority should investigate the feasibility of all plans that had been proposed as well as that of the governor. But, needless to say, this new bill was not passed by the legislature.

Likewise, Mr. Sargent early in the session submitted a bill which in general provided for the same type of investigating commission, with the same powers and duties as that which had been proposed in the bill introduced and passed in the 1927 session and vetoed by the governor.[2] This bill was passed by the legislature and vetoed by the governor in the same manner as the one previously passed.

Thus at the close of the 1928 session of the legislature no progress had been made in breaking the deadlock which had developed in 1926. There was plenty of debate and discussion from both factions which accompanied the introduction of and action upon these bills, but it was all futile and unsuccessful. The governor was in complete control of the water power and control commission which accordingly took no action upon petitions for licenses to develop the water powers of the state that were presented by private corporations. The Republicans were in complete control of the legislature, and there was consequently no prospect that the Water Power Act would be repealed and a new policy enacted. It was evident that both parties had "dug in" for a long, hard campaign. The Republicans were presumably hoping to elect the next governor and thus remove the one barrier which prevented official action from being taken to put their policies into actual effect.

3

Both sides indulged in the practice of laying their case before the people of the state. Several debates of one kind and another were held during the past year in various communities. The subject matter of these debates and the arguments which the partisans used to gain popular support for their positions are not to be considered in a report of this kind. Suffice it to say that too often it is quite apparent that neither side had data of sufficient accuracy and completeness to convince any critically minded individual. There seems to have been a total lack of understanding by state officials and legislators of the real fundamental social and economic implications of this important problem. We heard on the one hand denunciations of "Big Business" and the throttle hold that it has on the power industry and through it on the people as a whole. On the other hand we were lulled by sweeping phrases as to the successes of private enterprise. The charge of "thief" was met by the charge of "socialist," and so it went. It is also true, unfortunately, that with the passing of every day the subject became more frankly the football of practical politics. Proportionately as the discussion became more frankly political it became less pertinent and enlightening.

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[1] Assembly bill No. 2122, 1927.

[2] Assembly bill No. 1668, 1928.

Logically enough the problem of water power control was one of the most important issues in the last campaign between Albert Ottinger and Franklin D. Roosevelt for the governorship.

Both candidates addressed themselves to this problem on several occasions during their speaking tours about the state. Mr. Roosevelt advanced to the attack in a manner almost identical to that which had been employed by Governor Smith. He accepted Smith's plan for a power authority *in toto.* He promised to urge the same power legislation that had been advocated by Governor Smith. He assailed the Republican position vigorously and unceasingly. It was apparent that Roosevelt's election would mean a continuance of Smith's attitude on the part of the executive which would mean that the water power and control commission would not approve applications for private development. Mr. Ottinger answered this attack in several of his speeches. He defended the Republican policy as set forth in the Water Power Law and as enunciated in the Sargent bills of 1927 and 1928. His election clearly would have meant that steps would be taken to put that policy into immediate effect and the water powers would be leased for private development.

The election of Governor Roosevelt was a victory for the Smith program so far as the executive office was concerned. At once the new governor proposed to the legislature that five trustees be appointed to report a definite plan to the next legislature with respect to the St. Lawrence, this plan being subject to the following conditions: (a) That the dam, power house, and machinery should be built by the body of trustees and should remain forever in the physical possession of the trustees acting for and on behalf of the people of the State of New York; (b) the sale of this power to distributing companies under what is known as the contract method by which definite fair rates would be guaranteed to the individual consumers.

The legislature did not accept this proposal, and nothing was accomplished at the 1929 session. What will transpire in 1930 remains to be seen. Evidence is not lacking that the Republican leaders are in disagreement as to the wisdom of their party's attitude towards the executive's program and efforts towards a compromise may be made. As we go to press Governor Roosevelt reiterates his adherence on his 1929 platform and his belief that the present method of public service commission regulation will not provide effective control.

4

Thus far our discussion of the present situation has been concerned largely with the boundary streams. It may be said that the emphasis throughout the report has been placed upon the problems involved in the development of those resources, because these water powers are of paramount importance. The type of development which will be applied to them will determine almost entirely the degree to which the public will benefit from the complete utilization of the natural resources in flowing water. The power developed from these streams will be in the nature of "firm power." That is, it will be available in practically uniform quantities throughout the whole year. This power, however, will have to be supplemented by power produced from other resources in order to take care of the demands at the "peak load." This supplementary power must come from power plants installed on the inland rivers or from steam plants, or both.

It will be recalled from our discussion of the amount of the resource in flowing water in the state that there is over one million potential horsepower to be developed on the inland rivers. It will, of course, be immediately recognized that even though not so valuable as the resources of the boundary streams, yet the potential water powers of the inland rivers are of sufficient magnitude to warrant exploitation and development.

The development of these potential powers depends upon the government of the state to a large degree. This is due to the fact that the potential powers of these rivers cannot be exploited without the construction of a complicated system of storage reservoirs. Since the land which would be flooded in this process is in some instances the property of the state and constitutes a portion of the forest preserve, no private individual or corporation has the authority to undertake the development. That portion of the land to be flooded which is not part of the forest preserve can be secured only through a process of condemnation which can be legally accomplished only in the interest of public use and welfare and not for private profit. This also effectively excludes the possibility of unassisted private development of these resources and places much of the responsibility for the same squarely on the government of the state.

It will be recalled that at the present time there exists a constitutional provision that effectively prevents the flooding of any portion of the forest preserve for the purposes of power development. The first step that must be taken, therefore, is an amendment to that document which will make possible such development. The second consideration which must be definitely decided upon is the determination of the share of the state in the construction, operation of the reservoirs, dams and power houses, and the determination of the portion of the increased value of the power houses which shall accrue to the state. Practically all of the power sites upon these rivers are owned by private power corporations. These power sites in some cases will be doubled in value as a result of the construction of storage reservoirs. It is necessary to determine how much of this increased value shall be turned over to the state as a return for the construction and operation of the reservoirs. This is the key to the whole problem with reference to the development of the inland rivers. It is the subject of controversy at the present time.

5

The present policy of the state with reference to these problems can be found in the Machold Storage Law of 1915. It will be remembered that this law provided for the establishment of "River Regulating Districts" which should construct and operate the reservoirs and dams. The state was to build these structures through the agency of these "districts" and the cost of the same was to be assessed against all the property, both public and private, which was benefited thereby. This same law also sought to settle the issue which we have labelled as the key problem to the whole development; namely, the determination of the state's share in the increased earnings of the power houses on these rivers. It sought to settle this issue by providing that the state should receive "a reasonable return—upon the value of the rights and property of the state used and the services of the state rendered." The law also defined what should be considered "a reasonable return to the state upon the rights and property of the state used" by stating that this should "be construed to mean six per centum upon the value of the lands flowed." The value of the forest preserve lands which would be flowed is estimated at $10 per acre. It is evident that "a reasonable return to the state upon the rights and property used" according to the interpretation of such as placed by this law would not provide a very large revenue to the state. For instance, it was estimated that the reservoir upon the Salmon River-Adirondack project would increase the primary horsepower of the privately owned power plants to the extent of about 120,000 horsepower. This would net a material benefit to the owners of such plants to the extent of $287,000 per year as a maximum and $158,000 per year as a minimum. In this project 1,290 acres of state land, valued at $10 per acre would be used. On this basis of a total valuation of $12,900 the state would receive $774 annually as its share of the earnings of the whole project. It can easily be seen that the proportion between the return to private interests and to the state is not particularly equitable. This clause of the law which placed such an interpretation upon "the rights and property of the state used" is popularly known as the "Machold Joker." It has received widespread criticism from all sides until its sponsors have become somewhat uncomfortable.

It reached such devastating proportions that on February 28, 1927, Assemblyman Sargent felt called upon to introduce a bill in the legislature amending the provisions of this law. Mr. Sargent sought to add the following provision to the clause which we have already quoted: "and in addition thereto[1] not less than six per centum upon an equitable proportion of the increased value of the water and riparian rights attaching to each and every power site on the stream or river so regulated, created by or resulting from the regulation of the flow of such stream or river." He also sought to amend the clause in the original Machold Law which we have previously quoted by inserting the words "not less than" before the words "six per centum upon the value of the lands flowed." Great was the consternation in the ranks of the power industry when this bill was proposed. Hearings were held at which Mr. Machold, at that time president of the Northeastern power group, was present with counsel to vigorously oppose Mr. Sargent's proposal. The bill was not passed, but the feeling spread among many legislators that the Machold Law is a little "raw" in this regard and that some provision for a more material return to the state must be inserted in the law. Whether this measure of material return shall be the six per centum of the "equitable proportion of the increase in value" proposed by Mr. Sargent or whether it should be more or less is the key problem to the whole situation.

[1] That is in addition to a six per centum return on the value of the state lands flowed.

In the 1928 session of the legislature Mr. Sargent introduced two more bills which were concerned with the problems of water power development on the inland rivers. The first one provided for a commission to recommend legislation to insure a reasonable rate of return to the state. It was passed by the legislature, but was vetoed by Governor Smith on the grounds that no new commission was necessary. He held that the water power and control commission had the authority and the ability to make such a study and to report to the legislature.

The second bill sought to amend the Conservation Law to safeguard the interests of several prominent cities and villages situated in the Adirondack Mountains. The citizens of these localities had been aroused for some time by the fear that the development of storage reservoirs close to the city limits would imperil the safety of the inhabitants as well as being a material drawback to municipal development. This bill as presented by Mr. Sargent constituted in substance the agreement which had been effected between the civic leaders of these localities and the officers of the power companies interested in storage possibilities. The bill passed the legislature, but Governor Smith vetoed it on the grounds that making an exception in the case of the few cities which would be affected by this law carried with it the tacit assumption that there would be no limitation upon power developments in other sections of the Adirondack region. It seems quite possible that he felt that should he attach his signature to this bill it would be considered to mean that he would approve power developments elsewhere. At all events he refused to sign the bill and it did not become law.

Hence the 1928 session of the legislature produced no changes whatever in the situation on the inland rivers.

Nothing of any consequence was done in 1929 toward the development of inland rivers or boundary streams because of the continuing disagreement between the executive and legislative branches of the state government. The issue remains and presents itself in practically the same form in 1930. This enforced delay may allow sufficient time for a thorough expert investigation of the fundamentals of both plans. There is obvious need for an authentic, expert, unbiassed report which will deal frankly and honestly with the whole situation with special emphasis upon public welfare.

Editor's Note.—As the proof of this supplement was being returned to the printer, word was received of the introduction into the legislature by the Republicans of a bill authorizing the governor to appoint five commissioners to report plans for the development and sale of electric power to be generated on the St. Lawrence River. The governor is reported to have accepted the bill, which, when passed, will enable him to appoint a commission to his liking without legislative confirmation. The Republican anchor to windward is the fact that any plan reported will be subject to approval by next year's legislature, which they hope to control.

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THE LEAGUE'S BUSINESS

The Municipal Administration Service Helps Hoover's Commission.—Certain members of the advisory board of President Hoover's National Committee on Law Observance and Enforcement have visited the Municipal Administration Service and have had access to its files and reports. As an evidence of the help which the Service has rendered to the Commission, we are reprinting below a letter from Sam Bass Warner, adviser to the Commission, addressed to Welles A. Gray, assistant director:

> I wish to thank you most kindly for your services in assisting me to locate additional municipal reports that should be included in the bibliography of the survey of criminal statistics which I am conducting for the National Commission on Law Observance and Enforcement. The whole-hearted coöperation shown by you in placing at my disposal the information which your bureau has gathered, together with your own personal knowledge of municipal affairs throughout the United States, is greatly appreciated.
>
> The work which research and service bureaus such as yours is accomplishing in the betterment of municipal organization and practice, is of great value. It is through the promotion of sound administration policies of experts, that important results are accomplished and advances made in the science of government. I shall watch your continued progress with interest.

⁂

A Democracy that Might Work.—With this title Richard S. Childs, president, has contributed a most interesting article to the winter number of *The Century* magazine. Mr. Childs' article is a very forceful presentation of the League's program in words which the man on the street can understand. He emphasizes the progress being made by references to the concrete application in recent years of the theories of government which the National Municipal League was discussing a couple of decades ago. Reprints of Mr. Childs' article will be sent to any member who applies to the League office.

Mr. Childs has also contributed a signed editorial to the February issue of *Public Management* under the title, "A City Manager Truck or a Political Wagon?"

⁂

How Business Men Aided a Town.—Howard P. Jones, public relations secretary of the League, has contributed an article on this subject to the February, 1930, issue of *Nation's Business*. This article discusses the work of the Finance Committee of Harrison, New York, which was organized by our treasurer, Carl H. Pforzheimer, and which serves as a non-official citizen advisory committee to coöperate with the town officials. This article will help to advertise the successful experiment of Harrison, N. Y.

⁂

County Manager Law Nearing Completion.—Our committee on county manager plan met at the City Club of New York on February 1. The meeting was attended by Professor John A. Fairlie, University of Illinois, *chairman;* Professor Paul W. Wager, University of North Carolina, *secretary;* Richard S. Childs, Luther Gulick, Howard P. Jones, Wylie Kilpatrick, and Colonel H. M. Waite.

The tentative draft of the committee report, drawn up by Professor Wager, has now been subjected to close scrutiny by most of the committee and will soon be mimeographed in tentative form for general criticism. Any member who is interested in this phase of our program can secure for criticism a copy of the tentative draft of the committee report by writing to the League office.

RUSSELL FORBES, *Secretary.*

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EDITORIAL COMMENT

Will Higher Fares Produce the Revenue? In his Department of Public Utilities in this issue Dr. Bauer raises a question which has been asked before, but which has too often been ignored in rate making. How much will street railway traffic bear? Will the public pay fares high enough to support any theory of valuation or provide any rate of return which the courts can be persuaded to adopt?

In the Baltimore street railway rate case, the Supreme Court approved a return for the entire properties equal to the rate accepted as necessary to induce new capital into the enterprise. The state court had approved a return of 6.26 per cent as adequate. The Supreme Court raised it to 7 per cent "in order to enable the company to compete successfully in the market for money to finance its operations." Yet even 7 per cent is below the average rate which the company has been paying for new money.

The pertinent question, with which the court did not concern itself, is whether any street railway company can make 7 per cent on its investment, valued as the federal courts say its properties must be valued. As Dr. Bauer points out, the Baltimore company has for the past ten years been experimenting with a variety of fares until now it claims a flat ten-cent charge. Even when this has been attained it still remains to be determined whether the new fare is economically practicable. The demand for street car rides is becoming more elastic each day with the development of competing modes of travel. Even the old-fashioned trusts in their heyday of unquestioned monopolistic control found that there were limits to price fixing beyond which they could not go. If the demand for their product was inelastic, the price could be fixed at a relatively high level, but a point was ultimately reached at which the consumer preferred to go without the commodity or to purchase a substitute.

The street railway is becoming dispensable to an increasing number of people. Some declare that it is already obsolete, others are content to say that it is becoming so. Even if neither viewpoint is correct, there can be no doubt that street cars will be less important in the next twenty-five years than they have been in the past.

The unfortunate aspect of the rate controversy has been its emphasis upon valuation and return rather than upon service and economy. Much high-grade mental energy has been devoted to the former which could have been more usefully given to the latter. If coming events indicate that our old friend, the man in the street, will not pay a fare sufficient to support present valuations or produce a rate of return equal to the market price of new loans, the owners in self-defense will have to reduce costs. In that day street railway operation may be more of a salvage proposition than a fight for higher fares. And the more valuations are inflated now, the more disturbing will the day of reckoning be.

⁂

Long-Term Expenditure Programs and Prosperity

President Hoover's call to state and local governments, urging that public works be pushed as a relief to unemployment, found few with carefully prepared programs for long-term expenditure which would enable them to obey his injunction that the new building be energetically yet *prudently* pursued. For the past ten years informed people have been emphasizing the importance of capital budgets. A few cities have worked out improvement programs looking ten or fifteen years into the future. City planning has shown many the necessity of financial planning, but the movement is still in its infancy.

Paul V. Betters, writing in the *Public Dollar*, published by the United States Chamber of Commerce, says that only three states—New York, Massachusetts, and California—have adopted far-sighted work programs. In others, urgency alone dictates public improvements.

The disturbing factor about President Hoover's appeal for action in public works construction was the stimulus it is apt to give to rash and improvident building. For several years Otto T. Mallery and others have been urging that in times of prosperity states and cities should build up reserves for public works construction to be drawn upon when business shows a depression. The Review has previously pointed out that this prosperity reserve must be accumulated in accordance with long-term financial programs and the exigencies of the city plan. The building curve is only one element for cities to consider in working out a bond budget. The economies of a sound pay-as-you-go policy and the orderly prosecution of a city plan must also be given due weight.

How effective will be the president's effort to speed up public construction remains to be determined. While its effect may be wholly salutary there are evidences of an unfortunate psychological reaction to the manner in which the estimates were compiled and the methods of publicity which have been followed. If public works are wisely planned, they may be in a measure related to business depressions and thus help to iron out the peaks and valleys of good times and bad times. But after all is said and done such efforts are attacks upon symptoms rather than upon causes which still remain hidden in the business cycle. President Hoover will not have done his full duty until he goes one step further and persuades cities to consider the advantages of bond budgets, if only as a precautionary measure against the next business slump.

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In the Review for January there was a typographical error in reporting the vote cast by the people of Hamilton, Ohio, on an amendment to the city charter to do away with proportional representation. The correct figures for the vote were 8,611 to 3,157 in favor of retaining proportional representation. The vote for proportional representation is thus seen to be almost three times greater than was erroneously reported.

HEADLINES

Covington, Kentucky, is bound and determined to have the city manager plan, and cursed be the law that gets in its way! Following the holding of the manager law unconstitutional for second-class cities, four candidates for commissioner (salary, $3,600 per annum) each promised to give up $3,000 of their salaries to employ a manager. Now a manager has been appointed and all goes merrily as a marriage bell.

* * *

Centralized purchasing in California has justified itself on one item alone. Savings on the cost of gasoline over a three-year period for the division of highways will amount to approximately $382,500, Purchasing Agent J. F. Mispley reports. Through centralized purchasing, the state obtained a base price of 12¾ cents, including the state tax. This compared with the dealer's cost of 16 cents f.o.b. refinery, and a market station price of 20 cents. Total savings over a two-year period on all items amount to $3,600,000. The purchasing department cost $124,400 to operate during this time.

* * *

Interest in reorganization of county government is gradually spreading. Serious movements in this direction are reported from nine counties. These include: Glenn County, Napa County, Placer County, and Santa Barbara County, California; De Kalb County, Georgia; Montgomery County, Maryland; Freeborn County, Minnesota; Buncombe County, North Carolina; and Clackamas County, Oregon. A county home-rule commission has been appointed in California under a recent act to study the subject of county government.

* * *

Rochester has learned a lesson from Cincinnati. The City Manager League there has formulated plans to meet party machine competition with its own ward and precinct organizations. Citizens are gradually learning that it's not sufficient to reform a government—they must stay with it and fight its battles.

* * *

A city-manager enabling act for cities of the second class has been passed by both houses of the Kentucky legislature unanimously.

* * *

A bill permitting counties in Virginia to adopt the county manager plan was scheduled to be introduced in the state legislature during February.

* * *

Further coöperation between business and government is under way in Detroit. A committee of executives of business, industrial, financial and civic organizations has been appointed upon the request of the city council to confer with that body and the mayor in the preparation of the annual budget. George M. Welch, president of the Detroit Board of Commerce, is chairman, and Dr. Lent D. Upson, director of the Detroit Bureau of Governmental Research, secretary of the committee.

Shorter ballots and permanent registration are among reforms being considered for Illinois by the governor's commission on election laws, of which County Judge Edmund K. Jarecki and Maj. Gen. Milton J. Foreman of Chicago, and Judge James S. Baldwin of Decatur, are members.

* * *

The board of directors of Kenosha, Wisconsin, did a good job in 1929 and wanted its stockholders to know about it. A letter to taxpayers, mailed out with every tax statement the first of the year, pointed out that the city's per capita cost of operation and maintenance of its government had been cut each year since the city manager plan was adopted in 1921. In 1929 this figure was $21.52.

* * *

A committee has been appointed by the governor of West Virginia to draw up recommendations for the revision of the state constitution.

* * *

The movement for reorganization of state government in Oregon seems to be making headway. Hector Macpherson, whose proposed plan of administrative organization was defeated in 1927, is now working for a constitutional amendment, which, if adopted, will reorganize the entire state administration into nine departments. Only three elective officers will remain: the governor, the treasurer, and the secretary of state. The governor will appoint all departmental heads with the consent of the senate.

* * *

The city of Pontiac, Michigan, ran against a snag in its effort to recall the city commission. The State Home Rule Act for municipalities provides that if an official is recalled, his place shall be filled as provided in the city charter. The Pontiac charter declares that his place shall be filled by the city commission. Now Pontiac citizens are asking, "Where do we go from here?"

* * *

Among other interesting achievements recorded for city manager government in Fort Worth, Texas, has been the successful fight of the city to prevent the local gas company from jumping rates. The city spent $80,000 to win, but saved every gas consumer $10 per year, or a total of $340,000 annually.

* * *

Interest in the manager plan seems at a whiter heat than at any time since 1923. Movements are under way at present in 74 cities. Seven of these will vote during March and April.

Howard P. Jones

CLEVELAND COUNCIL REMOVES CITY MANAGER HOPKINS[1]

BY RANDOLPH O. HUUS
Western Reserve University

The reasons behind Mr. Hopkins' dismissal; the new city manager and the future of manager government in Cleveland. :: :: ::

W. R. Hopkins, after six years of service, is no longer Cleveland's city manager. He was suspended by the council on January 13, his final removal becoming effective January 22. Cleveland passed into the second phase of its experience with the council-manager plan when State Senator Daniel E. Morgan was appointed to succeed him.

The decisive step was taken amidst political fireworks and parliamentary maneuvers on the part of the councilmen in a meeting which lasted five hours. The booing and cheering of an unusually large and excited audience helped to enliven the occasion. The ouster movement was executed by the Republican regulars of the recently elected council, who mustered a vote of 14 to 11 for Mr. Hopkins' suspension and removal. Thirteen votes were necessary. It is worth noting that only 12 of the 14 were Republicans. The other two were those of Democrats—J. J. McGinty, previously Democratic floor leader, and Dr. F. W. Walz, independent Democrat and bitterly anti-Hopkins.

The removal of Mr. Hopkins was not unexpected. Ever since the fall election the Republican regulars in the old council had considered such action, but the word had been passed that nothing would be done until the new council was installed in January. When the press and the public realized that Maurice Maschke, political boss, and the Republican regulars were bent on putting Hopkins out there was immediate and severe criticism of the proposed action. The *Press* and the *Plain Dealer* condemned the ouster movement in no uncertain terms and called on the citizens to protest to those councilmen who were for the removal. These newspapers said that it was a purely political move because W. R. Hopkins had increasingly refused to truckle to the political demands of Maschke and the Republican regulars. Hundreds of voters made personal protests to the individual councilmen and a large protest meeting filled the music hall of the public auditorium on Sunday, January 12. Meanwhile the G. O. P. regulars had been holding a number of exhausting secret caucuses to check up their own vote on the ouster and to select a new city manager. Finally agreement was reached on Daniel E. Morgan, but only after Maschke's two earlier choices had failed to satisfy all of the regulars.

HOPKINS DEMANDS A HEARING

As was his right under the charter, Mr. Hopkins demanded written charges and a public hearing. Mayor John Marshall appointed a committee to draw up the charges and the hearing was set for Tuesday, January 21. However, the actual charges as presented were not written up by the com-

[1] See also the note by George Hallett, "The New Administration in Cleveland," on p. 212 of this issue.

mittee. Dr. F. W. Walz, the chairman, admitted that he didn't know who the author was but stated that they conformed to his ideas.

Five charges of varying importance were filed. Summarized, they are as follows:

1. Usurping the policy-determining powers of the council and failing to work in harmony with that body.
2. Failing to exercise due diligence in approving of the purchase price of the St. Clair-Colt playground lots which resulted in penitentiary sentences for ex-councilman L. G. Schooley and his son.
3. Insulting State Senator George F. Bender and the foreign-born groups in Cleveland by making a statement reflecting on his foreign birth.
4. Negligence in the operation and extension of the municipal light plant.
5. Violation of the spirit and letter of the civil service by allowing political activity on the part of administrative employees.

In replying at the public hearing, Mr. Hopkins called attention to the constructive achievements of his administration and defended himself against the charges. One of his most significant statements was that the real reason for his troubles with the council was his refusal to approve the gas franchise they had prepared. The points made in charges 3, 4 and 5 (above) were worthy of little consideration. There was negligence on the part of both Mr. Hopkins and the council as regards charge number 2; however, the measure was a legislative and not an administrative proposal and the controlling members of the council (who approved the above charges) finally voted for this and similar measures where the price charged was questionable. The first charge is the most important and has some foundation. Here again, however, his Republican critics in the council did little or nothing to formulate policies and were constantly interfering with administrative activities. Clearly, the Republican regulars were more interested in "getting Hopkins" than in preparing the charges or listening to his reply.

MASCHKE BEHIND THE OUSTER

Behind the ouster was the decision of Maurice Maschke to get rid of Hopkins. Within the last two years Mr. Hopkins has shown a growing independence of Maschke and the organization. Three department heads of more than the usual ability have been chosen by Mr. Hopkins of late, who cannot be considered as ordinary political appointments; mere partisan job-getters have found the administration too unsympathetic. Personally and politically, too, Hopkins has become a very strong factor in Cleveland and has had the support of numerous civic organizations. He had become a definite challenge to Maschke and the Republican organization.

THE NEW CITY MANAGER

The new city manager, Daniel E. Morgan, is a lawyer of excellent repute. He is a graduate of Oberlin and of Harvard Law School, a past president of the City Club and of the Citizens' League. He served as a member of the 1913 Cleveland charter commission. In 1909 he was elected to the city council and served one term. Defeated for city solicitor in 1911, he dropped out of politics until 1928 when he was elected to the Ohio state senate. Despite the fact that he was a first-termer he became an outstanding member and took a prominent part in working with the Citizens' League in shaping the new and improved state election code.

In his acceptance speech he indicated his intention of giving the manager plan a fair trial and of attending strictly to his duties as administrator. He is far above the type that the G. O. P. organization has in the past usually selected for their mayoralty candidate when the federal plan was in operation. His selection was influenced by the pressure of public opinion for a capable manager. Nevertheless, Mr. Morgan received his appointment because Maurice Maschke approved and not from any independent group, and he is on record as a staunch believer in the bipartisan system and party regularity. His real test will be the calibre and conduct of the new administrative staff and their assistants, who will be under his direction at the city hall.

CONCLUSION

Municipal conditions in Cleveland today are not unpromising despite the fact that Mr. Hopkins was removed at the time when he was in the best position to render valuable service. The report that some newspapers in other cities have carried that the city manager is doomed is an unwarranted conclusion. Some of the more promising phases of the present situation are:

1. The calibre and pledges of the new manager.
2. Improvement in the personnel of the civil service commission.
3. The scant majority the Maschke regulars enjoy in the council.
4. The presence of an aggressive and alert council minority.
5. The active opposition of the press and civic organizations to partisan and political meddling with the city government.
6. Badly needed reduction in number of the council committees and their reorganization, together with a revision of the council rules.

THE NEW HOME OF THE CHICAGO CIVIC OPERA

BY JOHN CLAYTON

Although the municipal government had nothing to do with it, Chicago's new opera house is truly a civic enterprise. Mr. Clayton's article should be read as an antidote to Mr. Martin's story last month of the city's financial prostration. :: :: :: :: :: :: ::

Chicago has recently dedicated a new opera house to be the home of the Chicago Civic Opera. The occasion marked a distinct epoch in the advancement of music in Chicago and of grand opera in North America. The opera house is contained in a beautiful modern office building, which rises forty-five stories above Wacker Drive, and also houses a small theatre and 739,000 square feet of space devoted to offices rented to the general public. The Civic Opera House has a seating capacity of 3,517, and the smaller theatre and concert hall seats about 875.

Thus for the first time in the history of these United States, grand opera is housed in a building which will eventually become its very own, and the income from which will provide a fund to eliminate the need of a guarantee in order that grand opera may be given.

HOW IT CAME ABOUT

The building today is the property of the Chicago Music Foundation, and the development of this organization is nowhere better summed up than in the statement issued by Samuel Insull, president of the Chicago Civic Opera, on the evening of the dedicatory performance.

"Because the people of this city backed an idea with their faith, their credit, and their money," said Mr. Insull, "the permanent home of the Chicago Civic Opera Company will be opened tonight. This opening concludes the first part of an undertaking which has been called 'a dream that came true.' What it marks in fact is a splendid gift from Chicagoans to Chicago and to the world at large.

"To make tonight's opening possible, good citizens of Chicago have lent their money and their faith and their credit to the extent of $20,000,000. Even in these times, this is not a negligible sum. Half this sum, $10,000,000, was actually subscribed in money. Ten thousand persons joined in making this subscription (to the preferred stock of the '20 Wacker Drive Building Corporation') and to these are due the grateful thanks of all the people who come to Chicago for the enjoyment of opera. . . .

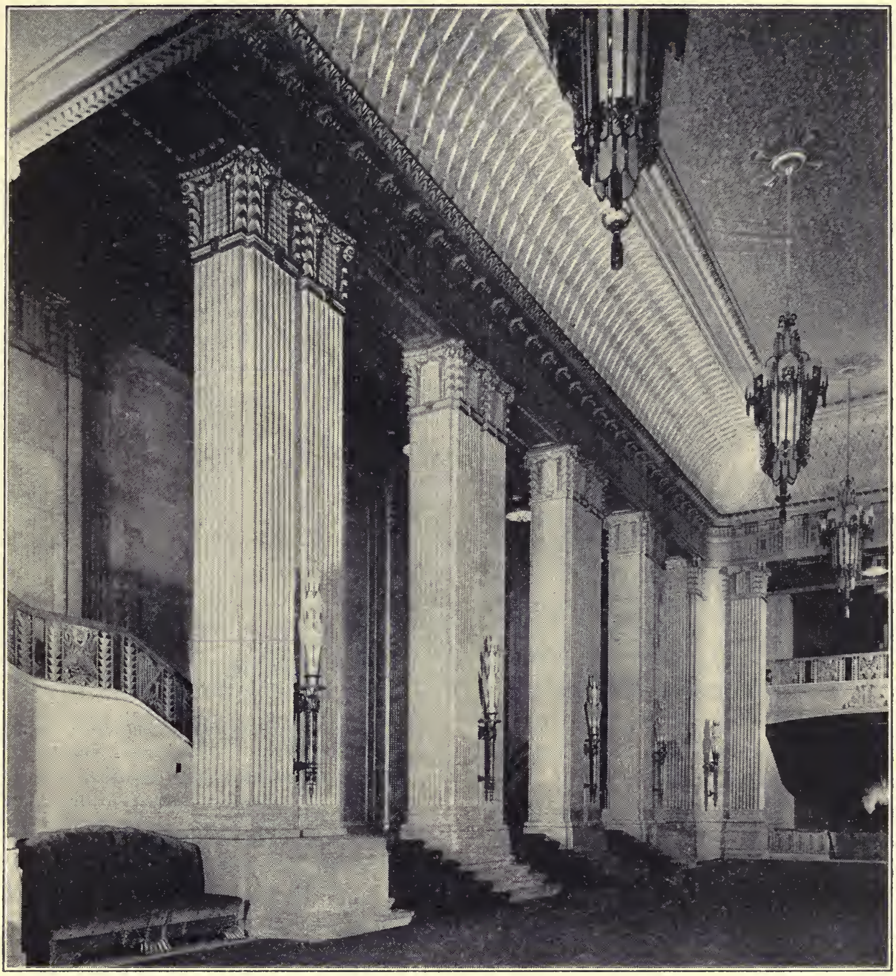
"By all who have seen Chicago's opera house, we are assured of its beauty and that provision has been made for the comfort and enjoyment of those who will fill its seats; also that it is equipped to give productions of the very highest standards and even to set new standards in operatic achievement. We hope that this is so. But merely to build a beautiful house and give it the best equipment possible was not the fundamental idea of the undertaking. That idea was, and still is, to give opera an abiding place in Chicago, and, through the Chicago Music Foundation, the organization of which has already been announced, to train and educate men and women for the production of opera and thereby make Chicago a music center worthy of its place in the world's affairs; also to make this adventure self-supporting. We have given it the home and we think we are well along the road to the accomplishment of our second desire."

To the men whose foresight and vision devised the plan whereby Chicago in particular, and the United States in a lesser degree, share in the benefits accruing from this priceless gift, every citizen owes a debt of sincere gratitude and appreciation. While the enterprise is not, strictly speaking, a municipal one—by that we mean that it is not built or developed by city government—it is entirely the product of municipal spirit, for the building and everything it contains was provided by a group of no less than ten thousand citizens who subscribed to the preferred stock in the "20 Wacker Drive Building Corporation," which constructed the building.

HISTORY OF OPERA IN CHICAGO

Grand opera as a Chicago institution dates back to the fall of 1910. In the early years of the city's growth, and prior to the inception of Chicago's permanent opera company, only snatches of grand opera were heard, and these from travelling companies. When the Manhattan Opera Company (Oscar Hammerstein's New York venture) definitely retired—for the reason that there was not room for two permanent opera organizations in New York City—several of those interested in the Hammerstein undertaking, anxious to perpetuate the work begun by this company, approached a group of Chicago and Philadelphia business men, with the result that the *Chicago Grand Opera Company* was organized.

The board of directors included two men who are associated with the Chicago Civic Opera today—Charles G. Dawes and Harold F. McCormick—



A view of the north side of the grand foyer showing the grand staircase which leads to the box floor and thence to the dress circle and balconies

and a number of other prominent Chicagoans and New Yorkers of that day. The company divided its time between Chicago and Philadelphia during its first four seasons.

A number of artists who had been with the Hammerstein company, among them Mary Garden, accepted contracts with the Chicago company. A quantity of the Hammerstein scenery and properties was purchased. Andreas Dippel became general manager of the new company and Cleofonte Campanini its musical director. Mr. Campanini remained with the company until his death in 1919. The business management was under the direction of Bernhard Ulrich.

After its third season, the company was reorganized with Cleofonte Campanini as general director. The New York backers dropped out at this time and the opera became strictly a Chicago institution.

With the outbreak of the war, the company disbanded, and no opera was given during the winter of 1914–15. The following year, the company was reorganized as the *Chicago Opera Association*, twenty-six men and women making up the list of guarantors. For several years the bulk of the deficit of maintaining the Chicago Opera Association was borne by Mrs. Edith Rockefeller McCormick and Harold F. McCormick.

At the conclusion of the 1921–22 season, Chicago's permanent opera company was reorganized on a basis which made a wider appeal to the community at large and the new company was known as the *Chicago Civic Opera*. Public-spirited citizens of Chicago responded nobly to the appeal for a guarantee fund and before the season opened the company was guaranteed against loss to the extent of $500,000 per year for a five-year period.

At the end of the first five-year period, a similar amount was raised for a like period, but contributions smaller than $1,000 were accepted and the list of guarantors increased to approximately twenty-five hundred. At the present time, there are more than thirty-one hundred guarantors, eighty per cent of whom are pledged for sums not to exceed $100 per year. Practically every Chicagoan interested in the promotion of grand opera is included among the guarantors of the Chicago Civic Opera company today.

MODERN IN EVERY RESPECT

That the Chicago Civic Opera House might incorporate the finest features of any theatre in existence, a group of men were sent abroad to study the leading opera houses of Europe. As a result, every modern device which science has invented for the improvement of stagecraft and the speeding of scene changes is found in the new home of the Civic Opera.

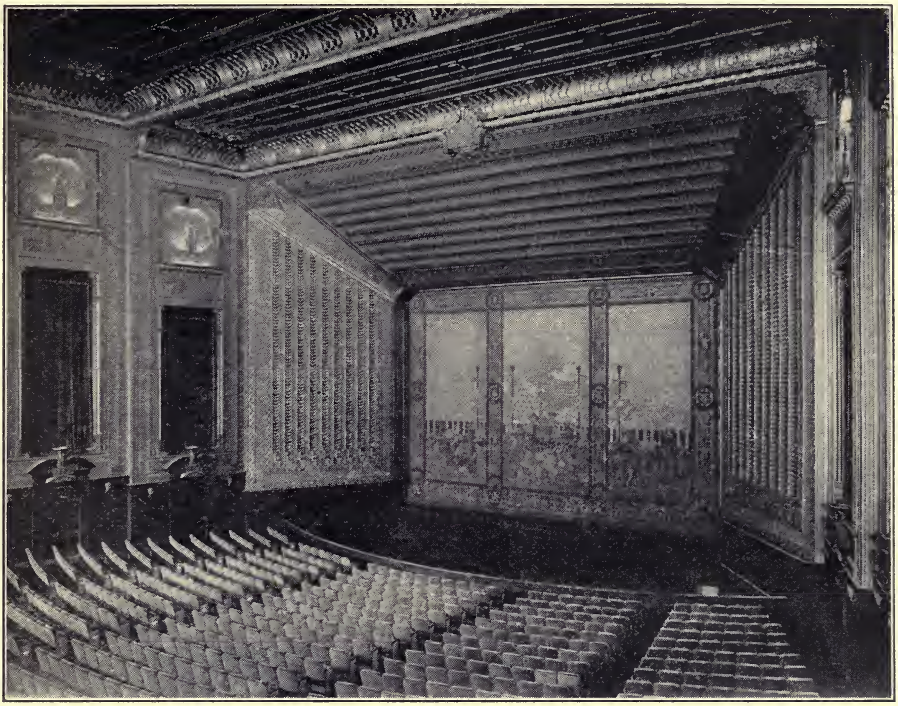
Modern equipment, combined with the great size of the stage, enables the company to obtain effects which can be had in few other theatres in the world today. A system of light control was especially designed. The remarkable scenic effects secured through colored lights in many shadings bear witness to the success of the system.

The theatre itself is beautiful. The color scheme is wrought in varying shades of rose and gold. Various musical instruments combined with a modernized design of laurel wreath constitute the decorative motif. Luxuriously comfortable seats throughout the entire house, a ventilation system which provides fresh air and the correct temperature at all times, and comfortable rest rooms for men and women lend their aid toward the perfection of the theatre as a whole.

Beauty in itself brings out much of the good that lies within us, if we but relax and consign ourselves to its magic spell. In this rose-hued temple of music, so filled with beauty, we can enjoy to the fullest extent the immortal music of the great masters, interpreted by the famous artists who make up the Chicago Civic Opera Company's personnel.

THE CHICAGO MUSIC FOUNDATION

On the eve of the opening of the new Civic Opera House last November, announcement was made of the creation of the Chicago Music Foundation. Organized under a perpetual trust agreement, its trustees are Stanley Field, John F. Gilchrist, Ernest R. Graham, Samuel Insull, Samuel Insull, Jr., George F. Mitchell and Herman Waldeck. Its purpose is the collection of a fund, the income from which shall be used in producing grand opera in Chicago and in educating and training people in the musical art, and in doing other things to make Chicago an opera and musical center.



A view taken from the extreme right side of the new Civic Opera House, indicating the excellent view obtained from every seat

It is the aim of the foundation to establish schools for training artists in all phases of operatic production. The Civic Opera House already has in operation a school of the ballet, under the direction of Laurent Novikoff, who also heads the Civic Opera Ballet and is its *premier danseur étoile.* Courses are offered in this school for all forms of the dance, including work for public school and playground instructors. It is the aim of the management to make this ballet school an art force in the community.

The Chicago Civic Opera European scholarships provide two years of study abroad to successful contestants. The first year is spent in Italy, and the second, contingent upon successful progress in the first, in France and Germany. The contest is open to music students of Chicago and Cook County who have been studying at least forty consecutive weeks with instructors in Chicago. A requirement is that the contestant possess the necessary attributes for a successful operatic career. Four of these scholarships are available each year.

The high quality of the performances given during the past season has been widely commented upon. Artists and management alike have extended themselves to give nothing less than the best, and have succeeded admirably. Environment has played no small part in this achievement. Greater facilities for staging the various works, more comfortable quarters back stage for the personnel, the splendid acoustical properties of the new house, the many comforts and conveniences provided for opera patrons, all have combined to inspire each individual artist.

MANAGER CITIES IN ACTION

II. TWO NEW YORK CITIES

BY ERNEST S. BRADFORD

Dr. Bradford continues his report on the workings of the city manager plan. The first installment appeared in our February number. ::

Auburn

Auburn, N. Y., with a population of about 45,000, voted to put the city manager form of government into effect January 1, 1920. The charter as adopted did not contain nonpartisan provisions, which would prohibit the name of a political party on the ballot and provide for the nomination of councilmen on the petitions of a certain number of citizens; so the first new council in Auburn was elected under the old party machinery, according to the former custom. Auburn is normally overwhelmingly Republican, and the organization men elected to the council proceeded to choose, as their first city manager, a man described by the editor of a local paper as an "old political war horse." His handling of the position of manager along the old political lines disappointed those who had hoped to see a businesslike and economical administration. When, four years later, the second council reëlected the same man as manager, dissatisfaction became more pronounced. The situation was seized upon by the opponents of the manager idea to urge an entirely new charter; and the proposal for a new charter commission, which went to vote November 2, 1926, carried by a bare majority (5,997 for, 5,179 against).

The new commission, five months later, brought in the proposed new charter, which provided for a mayor-council government not unlike that under the old form. This, however, failed to command public confidence, and it was rejected, June 30, 1927, by a vote of 3,675 to 4,713. The voters then turned to the Democratic party, which, led by a son of the late Thomas Mott Osborne, promised to amend the charter so as to abolish party names on the ballot, and to give a nonpartisan administration. Osborne was elected mayor in the fall of 1927, together with two Democratic councilmen.

The new council at once discharged the politician-manager, and selected as the new manager an engineer from the Lehigh Valley Railroad, John F. Donovan. He retained the previous corporation counsel and the city engineer, but replaced with more capable officials several incumbents whom he described as "too fat and lazy" to handle their jobs. The budget system he reëstablished, under which it is possible to ascertain at any time just how much money is left for each division of the city's work; and gradually he has installed businesslike methods in most of the departments.

The old city hall is to be replaced with a new structure, the gift to the city of two public-spirited former citizens, daughters of former Mayor David M. Osborne. This is not to be credited to the city manager government, however, except in so far as the donors might have been actuated by a feeling of greater confidence in the ability of the new government to handle more wisely, and with better attention to proper upkeep, a gift of this size and importance.

The council is now undertaking to amend the charter as promised, and has adopted a resolution providing for a referendum in the fall of 1930 on the question of nonpartisan elections of mayor and councilmen. The effect of this, if carried, will be to permit voters to select desirable candidates without regard to their national political affiliations. In reply to an inquiry as to the correctness of a report that Auburn had given up the manager form, the mayor, in a letter dated October 7, 1929, states that "the city manager form of government is now in full effect and operation." He quotes, as the characteristic note of the new manager charters, and as a guide for cities under manager form, a sentence written years ago by Joseph H. Choate: "Questions of national and state politics have nothing to do with the honest, expeditious and prudent administration of municipal affairs."

Newburgh

Newburgh-on-Hudson, only sixty miles north of New York City, was one of the first municipalities in the state of New York to adopt the city manager plan of government. It went into effect in 1916, and is today so firmly established that I heard no one speak of going back to the old mayor-council plan.

When Newburgh first adopted the new charter there were few trained city managers; now there are more than four hundred. The first city manager of Newburgh—picked from the park department of a larger city on the suggestion of an influential councilman, a large manufacturer—failed to measure up to the job and resigned at the end of six months. The second manager, Dr. Henry Wilson, made an excellent record, handling the city's affairs with force and capacity, and served from July, 1916, until death removed him in 1919. He was followed by James Miller, a local man, who served for the rest of the term with considerable success. He endeavored, however, to reorganize and consolidate the volunteer fire departments of the city, reducing nine companies to six, the accomplishment of which stirred up a tempest in a teapot and brought him the opposition of a strong social group. When the time came to elect the next council there were enough new members elected to put in a new manager, W. Johnston McKay, against the opposition of the local newspaper and a strong group in the council, who favored retaining a man whom they regarded as satisfactory. McKay, a real estate dealer, proved to be a capable and vigorous executive, and served also for four years, when he decided, at the end of the term, to resume his private business. The manager idea was thoroughly established in the public mind and McKay was and is a strong advocate of the city manager plan under which, he believes, the city can accomplish results otherwise impossible.

W. T. McCaw succeeded McKay, but a disastrous explosion in the sewers of Newburgh, in the fall of 1929, resulted in a change.

The conditions which led to the explosion were most unusual. The sewers, dating back many years, empty into the Hudson River. When the tide came in, one day in September, 1929, the water backed up into the sewers, apparently compressing sewer gas which had been made unusually inflammable, it is believed by some, by gasoline and other wastes of factories and cleaning establishments. This gas, exploding, blew up sections of streets and the floors of stores in the heart of the business section, and wrecked a considerable part of the retail area. A similar explosion of sewer gas had occurred almost exactly a year previous, in September, 1928, and the council, holding the city manager responsible for failure to change sewer conditions after the first explosion, removed McCaw and asked the former incumbent, W. Johnston McKay, to become manager once more. McKay is manager at this writing.

"The principal result, under the managers, has been to give the city a dollar's worth of service for every dollar expended," says the editor of the Newburgh *News*. "There is no doubt that this plan is better than the mayor-council form, for the reason that one man is responsible for managing the city's business. Newburgh has had average men in its council, probably of somewhat higher grade than before, under the system of electing them at large."

Nonpartisan Ballot Needed

In neither Auburn nor Newburgh is there provision as yet for nonpartisan nominations and elections, a requirement which is regarded in those cities which have it as a powerful factor in making the government responsive to the needs of the community as a whole. The result has been that in Auburn, for example, the earlier administration of the new charter was as frankly partisan (in this case, Republican) as under the previous mayor-council plan; and while the present council is less partisan, it is frankly Democratic. If the proposed amendment is favorably voted on in the fall of 1930, it is likely that the partisan spirit will give way to one more broadly civic in character, as in other cities with nonpartisan elections. The other leading features of the manager charters—short ballot, election of councilmen at large, and single appointive administrative head—are already provided.

FRAUD AND ERROR IN CHICAGO REFERENDUM RETURNS[1]

BY DAVID M. MAYNARD
Lake Forest College

While Chicago has special compulsory referenda only, a considerable number of measures are voted upon. Because of defects in the election system, carelessness and corruptness on the part of the election officials, gross errors creep into the official referendum returns. Changes in the election law would help to eliminate this. :: :: :: ::

The referendum has been used in Chicago in some form for the past seventy-five years. All state and city bond issues, all propositions providing for the annexation of territory by the city of Chicago, all modifications of the form of city government in Chicago, all amendments to the state banking laws, all questions relating to the Illinois and Michigan Canal, and all state constitutional amendments must be submitted to the voters. The state legislature, by special act, has submitted certain other measures to a popular vote. The number of propositions voted upon has increased greatly during the last twenty-five years. In the April election of 1928, thirty-two measures were submitted to the Chicago electorate, already overburdened with a long candidate ballot.

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[1] Part of a study on "The Referendum in Chicago" made under the direction of Professor H. F. Gosnell, University of Chicago.

The Illinois election laws which regulate the casting and counting of proposition ballots in Chicago are defective in several important respects. There is no limit to the number of bond issues which the local governing bodies may propose. Since 1900, separate proposition ballots have been supplied by the government. These have to be counted by the precinct officials in addition to the difficult candidate ballots. The law requires that the precinct officials must be chosen from the residents of the precinct in which they serve, and they must be divided between the two major political parties. These restrictions make it almost impossible to find honest and efficient election officials in certain parts of Chicago.

"Who gives a damn about the referendum ballot?" This question was not invited from a precinct official of a notoriously corrupt ward, but came from an employee of the city. It expressed a cynical judgment born of years of practical experience in dealing with Chicago elections.

In the election of November 5, 1929, the "bloody" twentieth ward went nearly two to one in favor of an amendment to the Municipal Court Act, while the residential seventh ward went four to three against the measure. An examination of the returns for the twentieth ward showed that there were patent frauds and errors in ten out of the thirty-two precincts in the ward. When these were subtracted, the remaining vote stood four to three against the measure, or practically the same as in the seventh ward.

An examination of the books at the election commissioners' office showed that this condition has existed for many years. An intensive analysis was made of the election of April, 1927. This election was selected because student observers had reported on the treatment of the "little ballot" in twenty-one precincts, and because it was thought that interest in the mayoralty election would detract attention from the sixteen measures on the proposition ballot. Since there were thirty-two figures for each of the 2,300 precincts, this meant the analysis of some 73,000 figures. The following types of suspicious returns were discovered: failure to record negative votes, an identical number of yes and no votes on each of the sixteen measures, all votes ending in round numbers, an unduly large total vote cast on the propositions. A tabulation of these figures showed that the returns for 592 precincts, or 25 per cent of the total number, were clearly fraudulent. In twenty-three cases there were more votes cast on the measures than there were voters in the precinct. In one of these the records showed that each voter had voted both yes and no on each of the propositions. Below are some of the actual figures found on the books. They speak more eloquently than words.

Although most of the above examples of fraud seem self-evident, there was still the embarrassing question which could not be answered, "How do you know that the votes were not cast in that way? You haven't seen the ballots." Complete proof of false returns would require nothing short of a recount of all the ballots. The election law provides that no ballot box shall be opened without a court order. The procedure of a recount is a costly one and is usually confined to candidates in doubtful precincts.

MEASURES

	1	2	3	4	5	6	7	8	9
Ward 20 Precinct 10..................	Yes	372	372	372	372	372	372	372	372
	No	0	0	0	0	0	0	0	0
Ward 16 Precinct 19..................	Yes	245	245	245	245	245	245	245	245
	No	111	111	111	111	111	111	111	111
Ward 32 Precinct 26..................	Yes	317	317	317	317	317	317	317	317
(Total vote 309)	No	317	317	317	317	317	317	317	317

There has never been a general recount of any referendum ballot in the history of Chicago. The magnitude of the task makes any judge hesitate to give an order unless the results of the election are clearly in doubt. A rough estimate shows that it would take twenty men about a year and a half at a cost of at least $30,000 to make an accurate recount of the sixteen-measure ballot mentioned above.

Fortunately, with the coöperation of Judge Edmund K. Jarecki, a private recount was made possible of a very good sample of precincts for the election of November, 1926, at which six measures were voted upon. The proposition ballots in fifty-six precincts were carefully recounted under the supervision of the author. A comparison of the percentage returns in these precincts with those for the entire city showed that the sample was an excellent one. Practically all the wards in the city were represented. The recount showed that in one-half of these precincts there was an appreciable discrepancy between the number of votes cast on a measure and the number of votes recorded. In one-fourth of the cases this difference was so great as to mark the returns as grossly fraudulent.

Furthermore, it was found that these errors were not compensating but cumulative. This fact is particularly important in Illinois where a constitutional amendment requires a majority of all voting at the election, and not merely a majority of those voting on the issue. The extent of the distortion of the popular will by the precinct officials is shown in the table given below.

That is, the "official" figures are in error in this case from .6 per cent to 9.1 per cent and the two bond measures involving the expenditure of eighteen million dollars were within a few tenths of a per cent of being defeated. This reversal of the "will of the electorate" actually did occur in forty (8.4 per cent) of the 336 individual recounts. In short, the examination of the ballots themselves confirmed the conclusion reached by the previous survey of the election books.

Students have been sent out from

PER CENT IN FAVOR OF THE MEASURES IN THE 56 SAMPLE PRECINCTS

	Volstead Mod.	I. & M. Canal	Constit. Amend.	Road Bonds	Jail Bonds	Daylight Saving
Official count............	72.3	73.3	54.7	59.0	61.0	65.3
Recount................	71.7	74.7	50.8	50.5	51.9	61.3
Difference...............	.6	1.4	3.9	8.5	9.1	4.0

time to time to investigate the treatment of the "little ballot." Four interesting processes have been observed. In one precinct a bundle of 100 ballots was counted and the rest estimated. In a second case the official divided the "yes" and the "no" ballots on the first question into two piles and estimated the result. In a third precinct the officials carefully counted the first question and carried over the same figures for the rest of the ballot. In the fourth case a man was observed stringing the ballots on one side of the room, while an official was "making out" the tally sheets in a far corner. During a recent election a team of reliable watchers was sent to a precinct of the twentieth ward with instructions to insist upon an accurate count of the referendum ballot. Out of the 146 names in the poll books, twenty-five voted on the little ballot. In the adjacent precinct, without watchers to guide the count, out of 206 names on the poll books, the record showed 196 voting on all measures!

The indifference of the election officials and precinct watchers with regard to the outcome of the "little ballot" vote, combined with fatigue after a tedious day at the polls, probably accounts for many of the present wide discrepancies between the vote and the tally in Chicago precincts. In other cases the results can only be explained by ignorance, stupidity, or downright crookedness on the part of the precinct election officials. The remedy here lies in the adoption of separate counting boards, a central count, or the use of voting machines.[1] Granted that the voting machine is not fraud proof, nevertheless in connection with referenda it would provide, outside of rare exceptions, exact and accurate figures of the vote recorded. Furthermore, as the amount of fraud increases with the length of the ballot, a provision to limit the number of measures presented at a given election would tend to produce more accurate returns. Finally, the method for selecting precinct election officials needs to be radically changed. Residence in the precinct should not be required of these officers nor should their appointment be controlled by the party committees. Referendum votes are sometimes an excellent index of public confidence or lack of confidence in a given administration. The example of Chicago shows the need for safeguarding this instrument of direct legislation.

[1] See forthcoming report of the National Municipal League on a Model Election System.

THE MUNICIPAL CABINET IN THE UNITED STATES

BY J. OTIS GARBER

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Should mayors and city managers make use of the "cabinet" system in dealing with subordinate heads of departments? :: :: ::

THE introduction of the short ballot and the centralization of the responsibility of department heads to a chief executive in American cities has made possible a municipal cabinet. It was the purpose of this study to ascertain the similarities, if any, of the municipal cabinet system to the presidential and English cabinet systems.

Two types of cities were chosen—council-manager and strong-mayor. The larger cities of each type were picked. Cleveland, Cincinnati, Kansas City, Norfolk, Dayton, and Grand Rapids comprise the council-manager group. New York, Boston, Detroit, St. Louis, Denver, Indianapolis, and Toledo were selected as cities where the mayor chooses his department heads without confirmation of the council.

PRACTICE IN MAYOR-COUNCIL CITIES

A study of the accompanying table will reveal the fact that in no two cities of the mayor-council type is the same practice followed. It is obvious that an effective cabinet meeting is impossible in cities like Boston and Detroit where there is a large number of departments, many of them administered by boards. In these cities as well as in New York, there is no collegiate cabinet. The mayor directs the different departments by individual instructions. The mayor is permitted to sit with the council in all cities of the type studied; yet he seldom does so except in Toledo and Indianapolis. Thus it is only in these two cities that a serious attempt is made to bridge the gap between the legislature and the executive.

The department heads also sit in council meetings in these two cities, although, of course, they are not members, and have no vote as do the members of the British cabinet. But it has been found, especially in Toledo, that their presence in council and committee meetings is a great benefit in informing the council as to the administrative needs of the city. This approximates the English borough plan of having the permanent expert department heads at the meetings of the various council committees which direct their particular departments. Thus the administration is under the control of the laity, but subject to the influence and advice of the department heads who have a professional interest in this particular branch of administration.

The frequency of cabinet meetings also indicates whether the department heads really function as a collegiate body. Mayor Walker of New York has called his department heads together only a few times. Ex-Mayor Smith of Detroit during the first year and one-half of his term called the directors together once to announce his policy with respect to economies in the city government. Under Mayor Lodge cabinet meetings were more frequent in Detroit. The Indianapolis

THE RÔLE OF THE CABINET IN TYPICAL CITIES

Mayor-council cities	Number of departments	Directed by		Does mayor sit with council?	Do department heads sit in council?	Are cabinet meetings held?	Frequency of cabinet meetings
		Board	Single head				
Boston	32	13	19	No	No	Rarely	Seldom
Denver	4	0	4	No	No	Yes	On call
Detroit	19	14	5	No	Yes—but no voice	Yes	No set time
Indianapolis	10	4	6	Yes	Yes	Yes	Monthly
New York	15	4	11	No	Seldom	Rarely	No set time
St. Louis	6	0	6	No	Occasionally	Yes	Twice a week
Toledo	5	0	5	Yes	Yes	Yes	Weekly
City-manager cities				Does manager sit with council?			
Cincinnati	18	3	15	Yes	Occasionally	Yes	No set time
Cleveland	7	0	7	Yes	Yes	Yes	Bi-weekly
Dayton	5	0	5	Yes	No	Yes	Bi-weekly
Grand Rapids	4	0	4	Yes	Yes	Yes	Weekly
Kansas City	9	0	9	Yes	No	No	....
Norfolk	5	0	5	Yes	Occasionally	No	....

practice is to hold monthly meetings of the cabinet. Only Toledo and Denver report cabinet meetings held at least once a week. So we see that we rarely find the cabinet existing as a collegiate body.

PRACTICE IN CITY-MANAGER CITIES

We might expect to find a "cabinet" system in the city-manager cities if it is found anywhere, for the reason that there are usually fewer departments, all directed by single heads. This system has the proper functional organization for a cabinet system. But do we find it?

The city manager as the council's executive expert attends council meetings in all these cities to advise and to give data required in determining the policy of the council. As the general supervisor of the city, he is the connecting link between the council and the administration. His is the entire responsibility for all the activities of the various department heads. So it is as natural to expect him to take part in council meetings as it is for the manager of a manufacturing concern to be present at meetings of his board of directors.

The department heads of two of the cities studied (Cleveland and Grand Rapids) sit in the meetings of the council. The directors of departments in Cincinnati attend meetings at the request of council or the city manager. In Norfolk the city attorney attends "to pass on legal phases," but other directors are called in only when technical information is desired. In Kansas City and Dayton they do not attend. If the city manager has a technical knowledge of each department he may supply the required information to the council himself; or he may present material to the council on the advice of the directors of departments, who are presumed to be experts in their lines of endeavor. It would seem that since the city manager is the apex of the entire hierarchy of the administration of the city, his presence in council should be sufficient to supply the link between legislation and administration without the aid of the directors.

For the city manager is not *primus inter pares* as is the English prime minister. He is the chief; the directors are his subordinates. They are appointed by him and responsible to him. He in turn is responsible to the council, which represents the people. So there is a hierarchy of indirect responsibility from the people to the lowliest city employee. However, we cannot agree with Miss Ellis[1] that in so far as indirect responsibility to the people is concerned, the city manager plan resembles the English cabinet system. There are these important differences: in the city manager plan responsibility is centralized on one man instead of being placed on a group of men as individuals and as a body; furthermore, the city manager and his subordinates are one step removed from the people, and cannot be directly repudiated through failure to be reëlected. However, the city manager can be, and in some instances has been, repudiated by the election of a council pledged in advance to his removal, just as the election of a majority of members of the House of Commons leads to the resignation of the British cabinet. Another important difference is that the council cannot be dissolved by the city manager if it fails to support him; he must resign. The British cabinet may ask the king for a dissolution of parliament for a new election if it feels that the people will support it as against the House of Commons. But it is not the theory nor the practice for the city manager to take a hand in elections. He is not a part of the council and so does not have the same relationship to it and to the people as does the British prime minister and his colleagues. He is employed by the council.

As to cabinet meetings, Cleveland and Dayton have bi-weekly sessions, while Grand Rapids has weekly discussions. This system was used at Grand Rapids for eight years under the managership of Mr. Locke, who says it produced good results. The managers of Dayton and Cleveland are also satisfied that time spent at informal gatherings of the department heads is very profitable. However, the managers of both Kansas City and Norfolk are convinced that such meetings are futile. Says Mr. McElroy of Kansas City, "I started the system of having all of the department heads together and discussing matters generally, but I came to the conclusion that that would not obtain any real practical results. Too much time was taken up with general discussions. It took too long to get down to business. I believe better results can be obtained by talking directly with the heads of each department, and you can thereby accomplish more in a fifteen-minute discussion than you can in a conference of an hour and a half when several are taking part in it. The cabinet system, in my notion, is all right for talking politics, but not very satisfactory for talking business." Mr. Truxton of Norfolk says, "It is my opinion that a great deal of valuable time is lost by such procedure, and group discussions are only conducted on specific matters requiring such action." Mayor Nichols of Boston says, "It is a waste of valuable time. Individual conferences give better results."

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[1] E. D. Ellis, "The City Manager as a Leader of Policy." THE NATIONAL MUNICIPAL REVIEW, Vol. XV, p. 201.

Cabinet meetings are held in Cincinnati occasionally for discussion of administrative policy, but at no definite time. Undoubtedly it is difficult to get a full meeting with fifteen cabinet members. City Manager Sherrill states that it is easier to discuss important policies with small groups than with all fifteen members, many of whom have no interest in the matters up for discussion. It is worthy of note that the members of three important branches of administration—the health board, park commission, and recreation commission—are not under the control of the city manager. The mayor appoints the members of the first two, and one person on the recreation commission. The other two members on the latter commission are appointed by the park commissioners and the board of education.

Undoubtedly cabinet meetings can easily become debating societies with much heat and little light. But it would seem that a manager could with tact and discretion make such meetings mutually enlightening to all who attend. The manager system contemplates mutual understanding and discussion between the manager and his staff. That the system in itself is profitable is evidenced by the large number of commercial and industrial enterprises which use it. Individual conferences probably are more economical of time, but the directors and manager as a collegiate body should be able to work together more smoothly, and the time in the long run would be well spent.

SUMMARY AND CONCLUSION

The study of seven mayor-council cities leads to the conclusion that the mayor's department heads resemble the president's cabinet in most particulars, when they meet together for discussion. They occupy the same position—a body of subordinates chosen by an independent executive and responsible to him alone. But unlike members of the president's cabinet they are not subject to confirmation of the council in the strong-mayor cities studied. They act independently subject to the unifying direction of, and responsibility to, the executive. The mayor occasionally addresses the council in all of these cities, but he sits regularly in only the councils of Toledo and Indianapolis. This is the practice in the English plan, but of course the mayor is not a member of the council and has no vote. Regular cabinet meetings are held in three of the seven cities. In three of the other four they are impracticable because of the excessive number of departments and boards. The multiplicity of departments and board organizations seems to be the main reason for lack of cabinet meetings. Proper division of the administration along functional lines is one of the first prerequisites to a cabinet system. Few departments headed by single directors make possible cabinet meetings. A "presidential cabinet" is profitably used in the mayor-council cities where the functional organization makes it possible, i.e., Denver, Indianapolis, St. Louis, and Toledo.

The cabinet under the manager system resembles the president's less than it does under the mayor-council system, but even here the likeness is closer than to the British cabinet. The heads of departments are chosen by the manager and are responsible to him alone. However, the city manager is responsible to the council and his tenure of office depends on its approval. In this respect he is comparable to the British prime minister. Regular cabinet meetings are held in only half of the manager cities chosen. The main difference between the president's cabinet and the manager's cabinet is that in the latter the executive is responsible to the legislature.

It seems unfortunate that there are no meetings of the department heads in two of the city-manager cities studied, for Cleveland, Dayton, and Grand Rapids report excellent results. There are many variations in municipal "cabinets," but their most essential feature is their collegiate quality—bringing together the executive and department heads for mutual discussion and coöperation in the administration of the city. Where this system has been tried, it has generally been found successful. It tends to modify the "despotism" of the strong mayor and to give the city manager useful counsel and coöperation in his administration of civic affairs.

BUSINESS ADMINISTRATION: A WEAK SPOT IN OUR CITY SCHOOLS

BY HARRY P. SMITH[1]

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Responsibility for city school administration is too often divided among coördinate heads, with the result that there is lack of correlation between the educational and the business phases of school operation.

THE weak spot in the business administration of city schools is the assumption that the educational administration and the business administration are two entirely separate and distinct functions, each to be performed by an executive responsible directly to the board. It is supposed, of course, that there will be coöperation between the educational executive and the business executive. Many times this assumption is well founded. Too frequently, however, there is a woeful lack of coöperation due to the many factors, human and otherwise, operating in such situations.

This division has developed naturally as a result of the evolution of our methods of school control.

VARIOUS TYPES OF ORGANIZATION

A number of interesting types of organization have developed. The first and most common is, of course, the organization of the board itself into committees ranging in number according to a recent study of the United States bureau of education from 14 to 0. With the delegation of functions to executive officers the board has come to be recognized primarily as a legislative body. The committees, then, are hang-overs from the days when the board was an executive, as well as a legislative body.

The second type is the rather general one of a many-headed administrative organization. A common form consists of two coördinate heads, a superintendent of schools and a business executive, the latter variously known as business manager, business agent, and secretary of the board—when the duties of the last-named official differ from those of a corporation secretary. Such an organization is authorized by the Pennsylvania school law with the following provision: "He (the secretary of the board of school directors) shall have general supervision of all the business affairs of the school district, subject to the instructions and directions of the board of school directors."[1] The cities of Philadelphia and Pittsburgh have had nationally known men acting as their board secretaries and business managers in recent years. Many other cities of the country have similar officers.

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[1] Professor Smith is the author of the book, *Business Administration of Public Schools*, reviewed in our January issue.

The business affairs may, however, be administered by more than one executive. In St. Joseph, Missouri, one finds a superintendent of schools in charge of instruction, a secretary and business agent in charge of finance, and a chief engineer in charge of operation and maintenance. St. Louis, Missouri, has a charter which provides for superintendent of instruction, a commissioner of supplies, a commissioner of school buildings, and secretary and treasurer, all of whom are legally coordinate.

The organization may be such that some of the coördinate executives may be designated as major—as the superintendent of schools, and the financial agent; while others may be minor—as the chief engineer, the building superintendent, and custodian of supplies. All of them are, however, subject directly to the board of education.

These organizations have their origin in the evolution of the board itself, and in the persistence of a committee type of set-up where the committees are administrative and have, therefore, some executive officer who is responsible to them.

In contrast with these organizations we find the unit type in which the superintendent of schools is the chief administrative officer of the board with all others responsible to him and through him only to the board. Notable among these we find the cities of Minneapolis, Denver, and Des Moines in the middle west; Atlanta, Georgia, and Birmingham, Alabama, in the south; and Rochester, New York, and Providence, Rhode Island, in the east. In several of these cities there are assistant superintendents in charge of business affairs who are nationally known in this field.

Such a variety of types of organization for the same purpose challenges the thinking of people interested in things administrative. It would be only natural to question whether they would all be equally effective, granting that the human factors involved were ideal. If a unit type of organization functions satisfactorily, what is to be said of a many-headed type of organization? If, on the other hand, the latter type is ideal, why has not the former demonstrated its futility and been completely replaced?

THE BUSINESS ANALOGY

Some information may be had from business. There was a time when business enterprises organized as corporations were subject to committee control and had coördinate executives working under committees. But industry, organized for public service and profit, and subject to intense competition, has long since learned that in the keen competition of the present day it is necessary to have the most efficient type of organization. Business and industrial enterprises have almost, if not quite, universally adopted unified executive control with a board of directors operating as a policy-forming board, but securing the administration of those policies through a single executive to whom all others are responsible. Witness the American Telephone and Telegraph Company, the Pennsylvania Railroad, the General Electric Company, and the Wanamaker Stores. It is inconceivable that the boards of directors of these great enterprises would permit themselves either as wholes or as committees to waste their time on administrative details which they could delegate to an executive. And yet boards of education in large cities with tens of thousands of children under their control and budgets running into the millions will not infrequently do just that thing.

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[1] *Pennsylvania School Law and Appendix*, 1925, p. 23.

From the standpoint of the organization of the board itself the answer is clear. The board should function without standing committees, and should limit its activities to the purely legislative, that is, to policy formation. Its function is then to get its policies carried out through executives carefully chosen rather than to attempt to do the work itself either as a whole or through committees. Should occasion arise, special committees may be appointed whose work will be limited to single tasks delegated to them by the board and will automatically be discharged when their reports are accepted. Such committees would be exemplified by an auditing committee which might differ in personnel at each meeting, or a committee appointed to canvass the field for a superintendent of schools.

It may be interposed that the members of a committee become expert through committee service. If they ever do, it is solely by the trial-and-error method. A large percentage of the errors such a committee makes in becoming expert would never be possible were its functions delegated to a properly trained and responsible executive. An assistant superintendent who is an expert in school housing and fixed equipment knows more about that work than the most intelligent board committee with its non-paid and non-expert personnel usually learns in a decade. School administration with the ever increasing complexity of modern education is a job for an expert, and not for a lay member of a board of education.

If, however, such a local situation exists that committees are imperative, then let the number be reduced to a minimum and let those committees be strictly advisory, and in no sense administrative. It may be illuminating to point out in this connection that of several hundred cities reporting on their school board committees to the United States bureau of education in 1922, 28 per cent had no standing committees.[1]

In this connection it is pertinent to note that American cities under the mayor-council or the commission form of government have suffered from a similar lack of centralized responsibility. Their executive officers have frequently been actuated by other motives than the furthering of the public welfare. But, beginning with Staunton, Virginia, in 1908, American municipalities have endeavored to correct these defects by adopting another type of government—the city manager plan—the avowed purpose of which is to center administrative responsibility in one chief executive officer.

It has been suggested above that it is the function of the board of education to formulate policies as a legislative body and then secure their execution through the proper administrative channels. Several types of organization are utilized to this end. First, the board operates through a single executive officer to whom all others are subordinate. This has been designated as the "unit" type. Second, the board may operate through two or more coördinate executive officers. This is known as the "multiple" type. The division is usually instruction and business. The business activities may be administered by a single major executive, coördinate with the superintendent, or by two, or even more, major business executives, coördinate with the superintendent of schools. Certain New Jersey cities, the city of Chicago, and others are instances in point. Or some of the executives may be less important and still coördinate. The commissioner of supplies in St. Louis is an illustration.

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[1] *Administration of Schools in the Smaller Cities.* Bulletin, 1922, No. 2, of the United States bureau of education, p. 26.

APPRAISAL OF DIFFERENT TYPES

The proponents of the various kinds of organization advance many arguments. Chief among the claims for the multiple type are decreased costs and more efficient business methods. The claim for unified organization is that since industry has found unified control more effective, and since municipalities are adopting a similar type in the city manager plan, school administration should also be unified.

In attempting an appraisal for the purpose of choosing between the two types of organization, several questions must be considered:

1. Are there marked differences between the two types in the business methods employed?
2. Are the functions performed by administrative officers fundamentally different in the two types?
3. Are the two types equally efficient from an educational point of view?
4. How do costs compare?
5. Are the administrative relationships satisfactory?

In an attempt to evaluate the business activities of the two types of cities the writer visited in person 25 large cities, 13 having the unit type and 12 the multiple type, investigating budgetary procedure, financial accounting and reporting, the purchase, storage and distribution of supplies and fuel, payroll accounting, and insuring of school property.

To secure an objective basis for evaluating the activities and the practices observed, criteria were established by asking groups of competent judges in the several fields to rate the activities and practices according to a set of uniform directions given them by the writer. The average of the ratings was then computed for each activity or practice. The scores thus obtained were used in evaluating the business activities of the two types of cities visited.

Little difference was found between the methods of transacting the business of the board in the two types. The cities having the multiple type had better accounting procedure, no doubt because of the fact that many school business executives are expert accountants. It was significant, however, that no better budgetary procedure or financial reporting was found in multiple-type cities than in unit-type cities. In fact, the latter excelled on the basis of the criteria used in both budget-making and financial reporting. Of the eight activities listed, the unit cities excelled in four and the multiple in three. There was no perceptible difference in the pay-roll procedure. It may seriously be questioned, then, whether there is any essential difference in methods of transacting the business of the school board, whatever the type.

The performance of executive functions in the two types was investigated by Dr. Amos L. Heer,[1] who selected 48 functions performed by administrative officers in 75 cities, 49 unit and 26 multiple, as follows:

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[1] Amos L. Heer, *The Present Status of Business Executives in the Public Schools of the U. S. in Cities of 25,000 and More Inhabitants.* Published by the author: Kent, Ohio, 1928.

1. The number of times each function was performed.
2. The number of times each function was performed as a routine activity.
3. The number of times each function was performed only after approval of the board of education acting upon its own initiative or upon the recommendation of the business executive.
4. The number of times each function was performed only after the approval of the board of education acting upon the recommendation of the superintendent of schools.
5. The number of times each function was performed upon the direction of the superintendent of schools without the action of the board of education.

After an elaborate quantitative study, he concluded that but nine of the forty-eight functions were performed a sufficiently greater number of times by the business departments of the multiple organizations to make the difference significant. In the routine activities only five were found with significant differences. A comparison of the two types, based on functions performed only after action of the board acting upon its own initiative or upon the recommendation of the business department, revealed nine of the forty-eight with significant differences.

He concluded that the similarity of the two types was much greater than their difference. In fact he insists that there can be no pure type of multiple organization.

Dr. J. O. Marberry[1] attempted to evaluate the relative efficiency of the two types by comparing them on the basis of four educational factors, viz:

1. Teacher-pupil ratio in the elementary schools.
2. Teacher-pupil ratio in the secondary schools.
3. Ratio of secondary school teachers to total teachers in day schools.
4. Ratio of average daily attendance in secondary schools to total average daily attendance in day schools.

He found no significant difference among 206 cities, 140 of which had the unit organization and 66 had the multiple.

To make a comparison of relative costs the writer recently compiled the unit costs for current expense by functions for all school systems in cities above 30,000 which he could definitely identify as belonging to one type or the other. Seventy-six of these were multiple and 101 unit. The unit costs were based on average daily attendance.

COMPARISON ON COST BASIS

The following table shows the average unit costs for current expense, by functions for 1925, the data being secured from Bulletin, 1927, No. 32, of the United States bureau of education:

Functional Divisions	Unit Cost for Multiple Cities	Unit Cost for Unit Cities
General control	$3.55	$3.18
Auxiliary agencies	2.86	3.12
Supervisors' and teachers' salaries	70.54	68.57
Textbooks and supplies	3.85	3.64
Plant operation	10.45	10.28
Plant maintenance	4.54	4.12
Fixed charges	1.89	1.76
Total current expense	97.43	94.69

In every functional division save one, the cost was greater in the multiple organizations and the total was also greater. It is possible, however, that these differences were not large enough to be significant. A careful study by the writer of a smaller group of cities using the cost data of 1922 revealed only one significant difference—the greater cost of the business control of multiple organizations. These cost figures mean just one thing—that the burden of proof is clearly on those who advocate the multiple type of control.

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[1] James O. Marberry, *The Administration of Public Education in Centralized and Coördinated Schools.* (Unpublished doctor's dissertation in University of Wisconsin library, 1926.)

We have found no significant differences in methods of doing business, in allocation of functions, in certain factors marking educational efficiency, and in current costs. There remains one other question of paramount importance—the relationship existing among administrative officers.

In unit systems the chief administrative officer is responsible for the proper functioning of all other employees of the board. If friction exists he is held responsible for its elimination. If inefficiency appears he receives the blame, and must eliminate it or be eliminated himself.

In multiple systems, on the other hand, the board in the very nature of the case must bear the responsibility. If friction arises, if inefficient work is done, the board itself has sole responsibility. It is pertinent, then, to inquire into the functioning of administrative officers in multiple organizations.

FUNCTIONING OF ADMINISTRATIVE OFFICERS

The executive officer in charge of the business affairs of a multiple type of organization may not be trained as an educator and therefore may lack an educational viewpoint. He may have instead a business, architectural, or even a political point of view. Since he is coördinate with the superintendent of schools, the work of both officials may be seriously hampered by opposite approaches. If an educational system is to perform its true function, it cannot be hampered by unfortunate relationships among its executives. It was evident to the writer on visiting twelve large eastern cities with school systems of the multiple type that many school business executives were thoroughly conscious of the responsibility of their positions, particularly of the necessity of keeping the educational welfare of the children ever in mind. It was also evident that both business and educational executives in these cities were conscious of the fact that one officer might invade the field of the other, and that care should be exercised at all times lest there be an open "break." There was on the part of business executives a tendency to stress the fact that *their* policies were resulting in telling economies, that *their* school systems were costing less than others near by. Other statements indicated that other points of view sometimes prevailed which might, under certain conditions, operate to the detriment of the educational end of the organization.

The writer collected a large number of incidents bearing on administrative relationships. These were gathered through personal visits to a dozen large cities; in personal conference with former professional workers in those cities; from correspondence and confidential conferences with employees, present and past; in the conferences of members of the division of field studies of Teachers College, Columbia University; and from survey reports and minutes of board meetings.

A careful analysis of data secured from twenty-three cities with organizations of the multiple type indicated that, regardless of the personnel involved, an educational point of view is frequently lacking in the administration of school business affairs and administrative responsibility is definitely divided.

The lack of an educational point of

view in the business department often results in:

1. *The improper planning and equipment of school buildings with respect to the educational program.* This activity is delegated in a surprising number of cases to an independent executive officer. Numerous illustrations of the operation of this plan might be given, but one will suffice.

> A former superintendent in City B reports that the business executive reduced by three classrooms the schedule of rooms furnished by the superintendent of city schools to make room for a light and power plant in an addition to the high school building. He did a similar thing in an intermediate school plant. The object was to enable the district to generate its own electricity, which the business executive claimed could be done for a lower figure than it could be purchased in the market.
>
> In this same city the superintendent and architect recommended the "univent" system of ventilation. The business manager recommended and secured a plenum system on the ground that it alone would enable them to ozonize the air—a process which he maintained from his studies would be in operation within a few years.

2. *The hampering of adequate operation and maintenance of the school plant.* The operation and maintenance of school buildings—which duties, in systems of the multiple type, are usually in the hands of independent executive officers—are frequently performed less efficiently under this form than in organizations of the unit type. The methods of requisitioning repairs, the order in which these repairs are made, and their handling in the light of educational requirements and educational standards, may profoundly influence the physical and educational welfare of the children. Methods of securing needed repairs may be so cumbersome as to make it difficult to get action and render the results unsatisfactory from an educational point of view.

3. *The purchase of cheap or improper supplies, thereby handicapping educational activities.* Not infrequently the business department of a multiple-type city school system has authority to appoint building custodians and engineers and to oversee their work. Such situations may lead to the improper appointment or assignment of operation employees. The lack of authority of principals over employees responsible to an independent business executive may lead to difficulties between the building principals and the custodians. In any event, it is not uncommon for other motives to operate than the furthering of the educational welfare of the children. The purchase of cheap or improper educational supplies is a characteristic and not infrequent result of the multiple type of organization. Where the business executive is actuated by motives of economy he may substitute for articles requisitioned by members of the instruction staff others less satisfactory in type. In one school system investigated by the writer, an official of this type had purchased school desks of an antiquated type to replace others which were even less antiquated than the new ones purchased. If he is actuated on the other hand by political motives, he will frequently purchase with a view to pleasing the vendor rather than the people using the supplies.

FAULTS OF DIVISION OF AUTHORITY

The division of administrative responsibility gives rise to:

1. *The improper assignment of functions among administrative officers.* The improper assignment of functions is perhaps an outstanding weakness of the multiple type of organization. There is a tendency to make the executives of the business department actually control the policies of the entire system.

The writer discovered the following situation in a city visited:

> In City A the financial executive of the board of education was responsible for the preparation of the budget. This financial agent claimed that the executive in charge of buildings and grounds had no "business sense" and always overran his budget in the operation and maintenance of buildings. The executive in charge of instruction was equally emphatic that neither of the other executives had any "business sense" and both exceeded their budget. It was he alone who saved the day by providing for a surplus in the instruction budget which made up the deficits in the budget of the others. This provision was very clearly made by budgeting all instruction employees at the salaries to which they would be entitled the succeeding year. There was a 20 per cent turnover in the staff each year, making it possible to make replacements at lower salaries, thus creating a surplus which the other executives always used up.

Such a situation arose because no one individual was responsible for seeing that budget estimates were followed carefully. Had there been a person so delegated, such a state of affairs could not have long existed.

2. *The shifting of responsibility.* The multiple set-up fails to center responsibility definitely in some one executive, and results in the shifting of responsibility from one executive to another.

3. *The conduct of affairs on a purely personal plane.* One of the executives in a multiple-type school system may take such an attitude toward another coördinate with him that the conduct of affairs is largely determined by the personal relations existing between them.

> In City A the superintendent of schools while making a supervisory visit to a school building noted a piece of playground apparatus in such condition that a child might have been seriously injured. He went immediately to a near-by mechanic and directed him to repair the equipment and submit his bill. The business executive in charge of purchasing became so incensed at this action of the superintendent that the incident was carried not only to the city board of education but to the state department of education as well.

4. *Inadequate financial planning and reporting.* Inadequate financial planning and reporting may characterize the multiple-type organization. The budget, which should be built on a sound educational basis, is constructed by two individuals working independently or by an independent business executive. The two departments will sometimes be contenders for the funds available, with the board finally acting as arbiter in the dispute.

The Grand Rapids survey has the following recommendations to offer on this point:

> The preparation of a school budget to be put before the board of education for approval should be the work of the two departments brought together under one reviewing agency able to judge relative values from an educational standpoint. It is felt that the present type of organization makes this impossible. . . .
>
> The present school report of the board of education is a dual report. One is impressed with the fact that certain costs, computed in great detail, are reported each year by the business manager with no educational use being made of them. . . . The detailed computation of the costs of heating buildings has not been used definitely in the improvement of heating school buildings.

5. *The hampering of the execution of the educational policy of a school system.* Finally, the organizations characteristic of multiple-type systems may hamper the execution of the policies of the educational department or actually control them. This is possible because the business executive may be solely responsible for planning and equipping school buildings, keeping the financial records, purchasing supplies and equipment, and formulating the budget.

The Boston Finance Commission in its survey of the Boston school department describes the following condition:

The committee found that school policies which should be directed and governed by the superintendent were in many cases conducted on a personal basis between the superintendent and other administrative officers, and that the latter through their freedom from control by the superintendent could often hamper and dictate the educational policies of the superintendent. Indeed, this form of obstruction had been carried so far that when lately the business agent was requested by the superintendent of schools to furnish him with data relating to certain school activities the former declined to do so, and it was not until a month of the fiscal year had passed that the information was obtained.

The information which was sought here was pertinent to the formulating of the educational program by the superintendent of schools.

It appears that business practices are essentially alike in both types of cities. No financial economies result from the multiple type of control. Functions are apparently performed in the same manner in both types and both types seem to be equally efficient in those educational aspects which can be readily measured.

If then the administrative and personal relationships among executives and multiple-type school systems are such as to hamper the realization of the chief objective of public education, then the multiple type of organization constitutes a weak point which should be eliminated. For it should be substituted a unified type of control in which the administrative relationships will be clearly defined.

THE NEW YORK TELEPHONE RATE DECISION[1]

BY NATHANIEL GOLD

The College of the City of New York

New York state awoke late in January to the imminence of radical increases in telephone rates effective as of February 1. On January 31 the public service commission ordered a slight reduction in the charges announced by the company. The effect of these rates will be observed for a time, after which the struggle to fix final charges will be resumed.

The present situation follows ten years of litigation before commission, special master and court. The length to which the trial has dragged out and the extreme claims in valuation point to the necessity of improved methods of valuation. :: :: :: :: :: :: ::

On November 7, 1929, the statutory court, consisting of three circuit judges, handed down its decision in the New York telephone case, modifying the findings of the special master, as reported in March, 1929, but nevertheless declaring the existing rates confiscatory.

The final decree, dated December 20, 1929, enjoins the commission from enforcing the existing rates and empowers the company to increase its rates in accordance with the decision, "until the Public Service Commission in accordance with law fixes new rates . . ."

[1] The writer has given the gist of the 1926 decision by the New York public service commission, and the background of the litigation three years ago in the NATIONAL MUNICIPAL REVIEW, July, 1926.

THE CONFLICTING CLAIMS

The magnitude of the case can be indicated by the following: The first hearing before the master took place on October 14, 1924; the last hearing on September 10, 1928. There appeared about 625 witnesses; pages of testimony numbered close to 37,000; and over 3,000 exhibits were introduced. The property shows a book cost of over one-half billion dollars.

Manifestly, no detailed analysis of the case could be attempted here. The intention is rather to pick out the high spots, especially those which throw light on the existing method of utility rate regulation.

The various bases of cost and value claimed by the company, reported by the master, and adopted by the court were as follows:

New York State Total as of July 1, 1926

	Company	Master	Court
Plant in service, new	$619,761,445	$599,778,500	$558,964,167
Depreciation	54,479,886	53,647,819	124,647,819
Plant in service, depreciated	$565,281,559	$546,130,681	$434,316,348
Construction work in progress	7,182,909	7,114,748	6,858,661
Working capital	18,717,256	15,964,000	15,964,000
Going value	48,463,000	35,000,000	10,000,000
Total	$639,644,724	$604,209,429	$467,139,009
Fair value, not less than	$727,729,004	$604,209,429	$467,139,009

In this long litigation, the public side was defended by the law department of the City of New York (which engaged most of the expert engineers, accountants and analysts), the public service commission, and the state attorney general. The defendants pointed to the fact that 90 per cent of the property had been built up since 1915, when prices began to rise appreciably; that the fixed capital had actually doubled in the four years 1922–1926; that, therefore, whatever one may argue as to the merit of reproduction cost estimates in general, in this particular case the book figures should be adopted. The cost shown by the books was about $510,000,000. The balance in the depreciation reserve stood at about $125,000,000. The value adopted should, therefore, not exceed $385,000,000.

Using round figures, we have the following values in percentages of the claim advanced by the company:

	Millions of dollars	Per Cent
Claimed by the company	728	100
Urged by the public	385	53
Reported by the master	604	83
Adopted by the court	467	64

Even those who have become hardened to the conflicting claims in utility litigation, will, I believe, be surprised at the figures shown above. I shall, therefore, attempt to give an analysis of the chief disparities responsible for such results.

It will be observed from the last two lines of the detailed tabulation that, whereas the master and the court found fair values identical with the total of the details, the company demanded one that exceeded the total by over $88,000,000. All three, the company, the master and the court, adopted basically reproduction cost as a method. The company, however, claimed in addition $18,000,000 for promoters' profits; $44,000,000 for additional cost if the property were built by outsiders instead of by its own forces, as assumed in its estimates; and $28,000,000, representing a 5 per cent increase due to a trend toward higher prices alleged to be manifest in 1926, the date of the valuation. These three items total $90,000,000, and, with some adjustments, represent the valuation claimed in excess of reproduction cost as estimated by the company itself.

RULE OF LAW ADOPTED BY MASTER AND COURT

The special master adopted the view advanced by the company, as to reproduction cost, in the following words:

> The Courts seem to hold that the reproduction cost less depreciation theory is the proper one to follow in determining the value of plaintiff's property. (Citation of cases.)
>
> I have, therefore, followed the reproduction cost less depreciation method in the foregoing findings (of value). (Report, p. 58.)

It is, therefore, necessary to explain the difference of over $35,000,000 between the estimate of the company ($639,644,724) and the figure reported by the master ($604,209,429).

The largest single difference is in the item of going value, for which the master allowed $13,463,000 less than claimed by the company.

Another item consisted of a 16 per cent deduction in the claimed amount for machine-switching central office equipment, amounting to $11,030,674. He also reduced the item claimed as cost of financing from 5 per cent to 4 per cent, amounting to $5,882,365, and the working capital he reduced by $2,753,256. The remaining difference of less than $2,500,000 is accounted for by a deduction in other claimed intangibles of $1,500,000, and, finally, a disallowance of over $800,000 in the valuation of real estate totaling over $100,000,000.

Thus, outside of a reduction in claimed intangibles, and a disallowance due to excess facilities, the only reduction in the estimates of the company made by the master was the comparatively insignificant sum of about $800,000 in the value claimed for land and buildings. To all other items of fixed capital, including related overheads, he accorded full 100 per cent of the claims in reproduction estimates and in finding these amounts as value.

As to the rule of law adopted by the master, the court states:

> Reproduction cost, less actual depreciation, is not the legal equivalent of fair value, as the master stated it to be, for it is, as a matter of law, but evidence of value (citation of cases). The depreciation deducted must be actual (citation of cases). Reproduction cost, less actual depreciation, is some evidence, the weight of which is to be determined with all the other evidence in the case, as tending to show both the value and the relative importance of all the evidence. . . . Defendants contend that book cost, less depreciation, should be the sole factor considered in the case at bar. This position assumes the other extreme and is inconsistent with the authoritative decisions. (Opinion, pp. 10–11.)

REPRODUCTION COST ACCORDED FULL WEIGHT

Referring to the detailed tabulation, we see that for plant in service, new, the court deducted from the master's finding approximately $41,000,000. In view of the court's statement just quoted, the reader might infer that this deduction was due to its taking a position between what it considered to be two extremes. Such an inference, however, is not borne out by further analysis.

For all fixed capital items, including related overheads, the court adopted the estimates made by the company and reported by the master. Over $26,000,000 of the deduction consisted of intangible items allowed by the master, but declared by the court to be "hypothetical reconstruction cost" and "costs of establishing the business" which have been disallowed by the Supreme Court of the United States. The items were: cost of financing, $22,900,000; bankers checking engineers' costs, and interest on costs of preliminary organization, etc., $3,200,000.

There remains, therefore, another deduction of almost $15,000,000 that the court made from the master's value to be accounted for.

As has been indicated above, the company demanded an additional allowance of $44,000,000 in the value of its plant above its own reproduction cost estimates, on the ground that the latter were made on the assumption that the property would be reproduced by its own, or its parent company's, skilled forces; but that it was entitled to have the value based upon what it would cost to reproduce by an outside corporation under "normal," and not extraordinarily favorable conditions.

This hypothetical additional "cost" the master disallowed, and the court upheld him as being in accord with legal requirement.

The master was, however, inconsistent in that he allowed the company to include in its reproduction cost an amount for the new panel-type automatic equipment that represented what it would cost an outsider, or non-experienced manufacturer, in addition to the actual charges made by its own sister company, the Western Electric, for such equipment. This item, referred to as the "Inexperience Factor," was, of course, similar in nature to the other item, and should have been equally disallowed.

It amounted to $17,392,214, but as the master considered 16 per cent of this type equipment excessive, he included in his figures only 84 per cent of this sum, or $14,600,000, which the court deducted from the master's figures.

Thus, we see that for the items of fixed capital, including related overheads, the court as well as the master accorded 100 per cent weight to the reproduction estimates submitted by the company, in spite of the court's declaration that the master erred in holding reproduction cost to be legally equivalent to value.

DEPRECIATION A MAJOR ISSUE

From the second line in the detailed tabulation, it will be seen that the greatest single factor contributing to the discrepancy between the values found by the master and the court, respectively, was the ruling touching depreciation. It results in a difference of $71,000,000.

This amount represents the excess of the balance in the depreciation reserve over so-called observed depreciation testified to by witnesses for the company, and accepted as full depreciation by the master.[2] But here again I must warn the reader not to draw a conclusion apparent on the surface. The court devoted almost five pages of typewritten legal cap to depreciation, and the statements contained therein are so conflicting, and their application in the finding of value for the telephone property as of a later date is so inconsistent with the court's finding for 1926, that it is extremely difficult to state its real holding with respect to depreciation.

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[2] The amount for depreciation reported by the master is *less* than admitted by the company, as shown in tabulation, merely because he reduced some items in their initial valuation, intangibles and excess equipment, as was explained above.

INCONSISTENT POSITION OF COMPANY

Briefly, the issues touching depreciation in this case were as follows:

The company charges over 5 per cent of the book costs of fixed capital annually for depreciation to operating expenses, crediting the same to a depreciation reserve. Inasmuch as the loss in capital upon retirement, charged against the reserve, has throughout amounted to less than the credits, the balance in the reserve has been growing, till it reached over $125,000,000 on the date of valuation.

The company is not required to, nor does it in practice, segregate a fund and label it as the unexpended reserve. The proceeds are used in the business of the company—for the acquisition of fixed capital or other property, etc.

The object of the charges for depreciation against the various items of property is summarized by the company in these words:

> The [depreciation] rates which plaintiff has built up in the exhibits above referred to in this point include nothing for fire, nothing for changes of fashion and next to nothing for storm. They are designed to cover only the actual physical deterioration from use and time and the withdrawal from service because of fairly, definitely determinable changes and advances in the telephone art [and] the life and salvage expectancies were determined as accurately as possible and plaintiff's proposed rates [of depreciation] fixed directly in accordance therewith. (Company's Brief to the Master, p. 282.)

The company thus not only justifies its current actual charges, but would, if allowed, charge larger amounts. In fact, its present annual charges have been continued despite the fact that the commission in its decision of May, 1926, provided for a composite rate of only 4½ per cent.

However, when it came to determine the depreciation existing in the property, the company declined to treat its accumulated reserve as a measure. The latter, it argued, was merely a bookkeeping entry. Its engineers, by examination, found existing depreciation amounted to only 43 per cent of the balance in the reserve.

That this examination was confined to existing physical wear and tear, was admitted by the company (Record, p. 19814). Inadequacy and obsolescence, which are considered when making annual charges, and which are the major causes of retirement by the plaintiff, were ignored in the determination of existing depreciation. The court took into consideration this inconsistent position of the company by stating:

> But if the actual depreciation exists to the extent that the plaintiff has claimed in building up this reserve, it exists as much for valuation purposes as it did for the creation of the surplus. . . . If, as claimed by the plaintiff, sound honest business methods have been followed and the straight line method pursued by it was not excessive, the depreciation reserve, when added to the property now or at any time, would be no more than sufficient to keep the actual value of the property constant. . . . When it built up its reserve, it claimed the reserve as its actual depreciation. It cannot now take an inconsistent position about depreciation, without fully establishing it, and it has weakened its proof of present value accordingly. The plaintiff was right about depreciation when it created its reserve and it is wrong, in its position now, in its claim for a lesser sum as actual depreciation in this effort to establish fair value. (Opinion, pp. 29–30.)

This would seem to declare that a company cannot "hold with the hare and run with the hounds"; that if it has built up a reserve from annual charges to operating expenses, which charges it claims to be necessary to make good accruing depreciation, it cannot, at the same time, be heard to say that the reserves do not measure depreciation for valuation purposes.

FAILURE OF PROOF BY COMPANY

However, another portion of the court's opinion, immediately preceding the statement quoted above, states:

> Either the property has in fact depreciated to the extent of the depreciation reserve which has been created, or it has not. If it has not, the plaintiff has been allowed to take money from its rate payers under the claim of depreciation which was not there, either seen or unseen, and which it will never have to admit. In that case, the excess reserve has been acquired lawfully and is the property of the plaintiff (pp. 28–29).

And at another point:

> The record satisfactorily shows that there is more reason to believe that the actual existing depreciation in the plaintiff's property is reflected by the amount of its reserve for depreciation than that it is shown by the estimate of experts who stated observed depreciation, which sum only was deducted by the master. For these reasons, the plaintiff has failed in the burden, resting upon it, to prove that the reserve depreciation was greater than the actual depreciation, both seen and unseen, as measured by the depreciation reserve (p. 29).

These passages seem to indicate that the court deducted the entire reserve in this case, not because to do otherwise would be inconsistent with allowing charges in operating expenses for depreciation based upon rates that resulted in the accumulation of the reserve, but merely because the company failed to take into consideration all factors of depreciation. It failed in its proof; therefore, the reserve had to be taken as the measure.

BASIS OF COURT'S RULING UNCERTAIN

That the latter quotations may reflect the opinion of the court is indicated by what it did when finding a value as of July 1, 1928. The company had not proved value as of that date in the record. It merely increased the 1926 valuation by the net book additions and working capital (i.e., additional cash and materials and supplies) and increased its depreciation to a point where it would form the same ratio of the gross figure, as the claimed depreciation in 1926 formed of the initial valuation of that date. This additional depreciation amounted to less than $8,000,000, while the depreciation reserve balance grew in the two years by $30,000,000.

The court adopted for 1928 a valuation based upon its finding for 1926, plus the additions claimed by the company. True, there was a technical objection by the company to the court's consideration of the increase in reserve, on the ground that the figure was not part of the record. But the additional amount deducted for depreciation by the company for the later date was merely derived from a calculation on the 1926 basis, which basis had been rejected by the court. Also the company admitted its reserves were greater in 1928, and the exact amount could be demanded by the court as of any date.

The least the court could have done, under its decision for 1926, was to make a calculation similar to that of the company, and increase the depreciation deduction, so that it would form the same percentage of fixed capital in 1928 as it did, on the court's basis, in 1926. This would not have increased it by the amount of the increase in the reserve balance, namely, $30,000,000; but instead of only increasing it by less than $8,000,000, the depreciation deduction would have risen by over $19,000,000.

THE RULING AS TO GOING VALUE

Finally we come to the last important deduction by the court from the master's valuation, and that is the reduction in the item for going value from $35,000,000 to $10,000,000.

It may interest the readers to know

that the company introduced 44 witnesses, and the testimony covered about 2,700 pages, to prove this item. This entire mass is rejected by the court, and, instead, the amount allowed by the commission in its 1926 decision is taken as the value. The method used by the company to show its going value, and the objections thereto, are stated by the court as follows:

> Plaintiff's claim, which the master considered, that nineteen million dollars was required to train its force of employees to their present efficiency, had previously been treated as a cost of operation. That treatment was proper. It proved five and one-half million for developing records, files, etc., and four million for record of subscribers and directories. These expenses were charged up to operating costs. They may not be charged both as expense of operation and as an acquisition of capital. Nine and a half million dollars was considered as the hypothetical cost of advertising and canvassing to get subscribers. This was a cost for creating good will and a regulated utility cannot estimate good will into its rate base. . . . The allowance made by the commission for going concern value was soundly based and therefore we modify the amount allowed by the master to ten million dollars. (Opinion, pp. 23–24.)

The reasoning of the court will be regarded as sound by accountants and impartial students of utility regulation. But those acquainted with the history of this case will find humor in the last sentence of the passage quoted. The fact is that the $10,000,000 was anything but "soundly based." Both the majority and minority opinions of the commission in 1926 declared that the past history of the company does not warrant the inclusion of any separate item for going value. Thus, the majority states:

> Although the testimony in this proceeding does not establish Going Value from the financial history of the company, in view of the decision of the statutory court, we make an allowance of $10,000,000 for Going Value. . . . (Supplemental Bill of Complaint, Ex. G, p. 49.)

And the minority declares:

> . . . it is not easy to avoid the suspicion that any additional allowances for going value in this investigation approach near to the sanctioning of the inclusion of "good will" as predicated upon earning capacity. (*Ibid.*, Ex. H, p. 52.)

The commission allowed this amount merely because it felt itself constrained by the very same statutory court (whose personnel had nevertheless changed) that appointed the master, to allow a separate amount. The company had again another opportunity to prove going value, but the only evidence it presented consisted of items that cannot, according to the court, be legally admitted. In other words, this court agrees with the commission that no proof was submitted as to the existence of going value. Nevertheless, the court now incorporates the $10,000,000 thrown into the valuation by the commission in 1926 solely because of its deference to the court.

COURT'S RULING AS TO RATE OF RETURN

The master agreed with the company that 8 per cent may be considered a fair rate of return upon the value adopted. The defendants introduced evidence to show that in the very years of this litigation the average cost of its capital raised was about 6½ per cent, although there is already included therein a goodly portion of common stock sold to the parent company, A. T. & T., upon which 8 per cent is paid, when the stock of the latter company sells at a much lower yield. If the rate base is to exceed investment cost, the defendants contended, a rate of 6 per cent thereon is more than ample to attract new capital.

The court found that on the basis of value it adopted, the existing rates yield less than 6 per cent, and hence they are confiscatory. It also ruled that "a 7 per cent return will amply assure capital and reward investors" and "that a greater rate of return allowed would be unjustified." (Opinion, p. 37.)

REASONABLE RETURN ON FAIR VALUE

Using round figures, the net result in charges to subscribers, on the basis of the various claims and the allowances by the master and the court, respectively, would be as follows:

	Fair value (Millions of dollars)	Reasonable return		Percentage addition to operating expenses [1]
		Rate	Millions of dollars	
Claimed by the company	728	8%	58	45%
Urged by the public	385	6%	23	18%
Reported by the master	604	8%	48	38%
Adopted by the court	467	7%	33	26%

[1] The operating expenses in 1926 amounted to approximately $128,000,000.

Thus, we see the full significance of this case. If the claims of the company were allowed, the charges to subscribers would be $58,000,000, or 45 per cent, above actual operating expenses as a return for the property used in the service. On the basis claimed by the public representatives, only $23,000,000, or 18 per cent, would be added to operating expenses; etc.

EVENTS FOLLOWING THE DECISION

Although the final decree was filed by the court December 27, 1929, the company took no action till January 21, 1930, when it announced new rate schedules for the various localities in the state, to take effect February 1, 1930.

The changes in rates and, in some cases, service, were so marked that a wave of protest arose spontaneously from practically every community. These new rates effected increases of from over 26 per cent for some subscribers down to insignificant increases for others. For the majority they would increase the telephone bill by about 13 per cent.

The company specifically refused to file formally the new schedules with the commission, claiming power to institute them by decree of the federal court. This action still further intensified public protest.

At a hearing before the commission in Albany, the company produced data to show the basis of the computations as to valuation and expected returns under the new rates in 1930. Both were disputed by the commission and by the municipalities represented.

After a long wrangle in a four-day session, the commission announced, just a few hours prior to the time when they were to take effect, rates that would bring additional revenues of only $11,000,000 a year, instead of the $14,000,000 asked for by the company.

These rates are only temporary, however. Hearings before the commission are being continued, and permanent rates are to be put into effect May 1—if the company does not again appeal to the court. It looks very much as if the New York Telephone case is far from being settled in spite of almost a decade of continuous litigation.

QUESTIONS FOR SOLUTION

A few questions seem pertinent in the light of developments in this case:

1. What can be said of the legal principles underlying our system of rate regulation, when such differences are possible in their application?
2. Can the present methods continue, or should they continue, when they result in such protracted litigation?
3. What are the effects upon investors in utility securities pending the determination of these widely diversified claims, if they can be said ever to be determined?
4. What is the effect of a long conflict upon public relations between the utility and the community it serves?
5. What can be done, and by whom, to improve regulatory practice?

RECENT BOOKS REVIEWED

Mind Your Own Business: The Case for Municipal Housekeeping. By R. B. Suthers. London: The Fabian Society, 1929. 125 pp.

This is a deftly done piece of propaganda for municipal ownership in British cities. George Bernard Shaw is prouder of his "Common Sense of Municipal Trading," also a Fabian booklet, than he is of "Saint Joan," yet he is magnanimous enough to say that Mr. Suthers' book is the other book worth reading on the subject. Gladstone's alleged genius for making figures interesting has been captured in it, for only on reflection does one recognize the immense amount of statistics woven into its twenty-seven chapters.

It is addressed primarily to the non-voting British citizen and after recounting the reasons for, and the present tremendous field of "municipal trading," it ends with a plea to "vote Labor" so that the principle may be safeguarded and spread further. A fuller treatment of British municipal ownership would show that city councils overwhelmingly non-Labor have been responsible for policies in this field which some Americans regard as the reddest Socialism. Mr. Neville Chamberlain, a pillar of the Conservatives, is quoted as endorsing the installation of municipal banks, and shown as giving energetic aid in founding the one that Birmingham now has.

The book has two high spots. The first is the discussion of what attitude to take toward the balance sheets of municipal undertakings; such are damned by opponents if they show losses, because the taxpayer makes up the difference. They are likewise damned if they show profits, because the inference is that the buyers of the services have been exploited. The other high spot is the carefully written chapter discussing the clashes which have occurred frequently in the last few years in the north of England between the coöperative stores and Labor city councillors—usually the Labor voters are also coöperators.

Those who realize that the city manager plan removes a great obstacle to the adoption of municipal ownership—the intrusion of politics into administration—may get many suggestions from this Fabian tract as to what conservative American businessmen may soon be asking city managers to include in the scope of their administrations.

Walter J. Millard.

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The American Community in Action. By Jesse F. Steiner. New York: Henry Holt & Co., 1928. 392 pp.

Small Towns. By Walter Burr. New York: Macmillan, 1929. 264 pp.

The life and politics of the American small town have been largely neglected while attention has been showered upon our large cities or upon functional aspects of our civilization. Dr. Steiner has brought together twenty case studies of typical towns, worked out in the first instance by his students at Tulane University and carefully revised and pointed by himself. Apart from the fact that all but five of the communities treated are in the South, this volume gives an exceedingly comprehensive and vivid picture of the problems confronting the American town generally. Each town is singled out to illustrate some problem of general interest. Fairmont, for example, represents the boom town and its deflation; Jefferson, a state university town, the economic conflict of town and gown with its social and political repercussions. The note of conflicts runs also through Ferrum, the mill town, and Big Lick, the lumber town. The rôle of social agencies—the churches, the Grange, the Ku Klux Klan, business leadership, and historic tradition—is stressed in many of the cases. Politics, unfortunately, receives but a few casual mentions. A particularly interesting picture of the rôle of family traditions is given in Wagram, an old Scotch-Irish community in North Carolina. The usefulness of this interesting volume is further enhanced by an excellent series of questions and bibliographical suggestions appended to it. This is in many ways a pioneering effort in the application of the case method to the community, and Dr. Steiner has achieved unusual success.

Professor Burr, on the other hand, approaches the town functionally. He seems never to be quite clear whether he is discussing the town and its culture or the whole agricultural problem besides. The author, we learn from the jacket, "is a frequent speaker at small-town chambers of commerce and other business men's organizations, and knows his subject." This may account also for his fondness for platitudes, his irrepressible optimism and his sturdy devotion to "service." His acquaintance is somewhat limited to Kansas. One might wish that he had not scattered his observations and researches about Kansas through a welter of secondary material, little of which is new. Next to Steiner's case book, Paul Douglas' *The Little Town* gives the best picture of those important and singularly American units which are neither rural nor urban, though partaking of the nature of each.

JOSEPH MCGOLDRICK.

Columbia University.

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MANUAL OF ACCOUNTING, REPORTING, AND BUSINESS PROCEDURE FOR THE TERRITORIAL GOVERNMENT OF HAWAII. By Henry P. Seidemann. Baltimore: Johns Hopkins Press, 1928. Pp. xxviii, 570.

This book presents a detailed description of the budget and accounting system which Mr. Seidemann installed in the territorial government of Hawaii. In 1923 the territorial legislature created a commission on public accountancy to supervise the installation of such a system. The Institute for Government Research was requested to undertake the task and Mr. Seidemann went as its representative to Hawaii in July, 1924, where he became the technical director of the work under the commission. He remained there for a period of over two years, during which time he devised and installed a budget and accounting system in the territorial government and also in the local governments, notably in the city and county of Honolulu.

Mr. Seidemann's volume is essentially a working manual for the territorial government. It sets forth step by step the budgetary and accounting procedure with illustrations and descriptions of the various forms and statements used. The author has devoted a few pages in the early part of the book to a discussion of what he calls the "principles of accounting procedure." These "principles," however, are mainly an argument for accounting on the accrual basis, which is the type of system installed in Hawaii. The manual, as such, opens with a discussion of the budgetary procedure and forms. This is followed by an analysis of what the author deems to be the essential accounting statements and reports. The system of fund and proprietary accounts installed in the territorial auditor's office is then described. Following this, there is a description of the departmental accounting, tax office procedure, expenditure documents, and revenue and receipt documents. The volume closes with an outline of the auditing procedure.

It is quite likely that those who read this volume will not agree with some of the essentials, much less all of the details, of the system which Mr. Seidemann outlines. There will be diversity of opinion, no doubt, on the kind of balance sheet which the author sets up. Some will prefer to present the key statement of the budget in the form of an operating statement rather than a balance sheet. Others will see no need for a set of accounts kept in each of the major departments of the government which more or less duplicates that kept in the central accounting office. Nevertheless, the fact remains that Mr. Seidemann has carried through with apparent success a large and difficult task of accounting installation. No detail seems to have escaped him, so meticulous has been his method.

A. E. BUCK.

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THE BUREAU OF THE CENSUS. By W. Stull Holt. Washington, D. C.: The Brookings Institution, 1929. 224 pp.

Here is a most timely little book. With the census of 1930 only a few weeks away, some of us, at least, are moved to a greater interest in the organization and activities of that branch of our governmental machinery which undertakes to count noses in these United States. The immensity of this task is, of course, vaguely apparent to most of us; but a glance through the pages of this book will bring home in an emphatic way the truly herculean nature of the job that the bureau of the census undertakes once every ten years.

This book is Service Monograph No. 53. In arrangement it follows the companion volumes of that series. A little more than half the space is taken to tell the history of the bureau; the remainder is devoted to its activities and organization. Those not very familiar with the many functions of the bureau will find the chapter on activities particularly illuminating. The decennial census and its various ramifications are well known, as are some of the other special activities, such as statistics of cities, the quinquennial census of agriculture, business and commodity statistics, and the biennial census of manufactures. Here, however, is a complete list of all the bureau's activities, and a description of how they are handled.

Welles A. Gray.

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Plans for the Northern and Southern River Front, St. Louis, Missouri. City Plan Commission, 1929.

St. Louis has long stood in the forefront of cities active in city planning. Recent reports by its official city plan commission, with Harland Bartholomew as engineer, have presented carefully worked-out plans for vital physical improvements bold in character. Following a great scheme for developing the central portion of its river front (see National Municipal Review, February, 1929, p. 120), the commission has studied the northern and southern portions of the Mississippi River bank and now presents plans for permanent solutions to the hitherto unsightly, inefficient conditions obtaining over large portions of the frontage.

Of six miles on the south, now chiefly in private ownership, two and one-half miles are to be reclaimed by a drive connecting the end of the famous Kingshighway Parkway at the present small Bellerive Park with the extensive Marine Hospital grounds. This drive, built up at times as an elevated road along the side of the bluff, below the level of the fine estates but well above the bottom lands, will command extensive views of the river and the country beyond. At one point a yacht harbor is planned, in order to encourage this form of recreation.

More novel and ambitious are the plans for seven miles of the northern river front. Without mentioning the problem of state boundaries, the proposal is made to shift the course of the mighty Mississippi by cutting off a great bow and digging a straight new channel through large islands now below the level of frequent floods. Recognizing that there is already plenty of industrial land available in the vicinity and that such an extensive additional area, about 3,150 acres, would if opened to industry seriously dislocate present values and trends of growth, the commission proposes an aviation field one mile square in the center of this new land, to be surrounded on three sides by recreation areas covering twice that area of land and including nearly as much more water surface as yacht basin and lagoons, thus avoiding the expense of filling much of the discontinued channel. The total cost is estimated at 22½ million dollars, to be spread over twenty years of construction. Besides the airport and its large automobile parking spaces, an eighteen-hole golf course, equestrian field, athletic center, extensive gardens, forest grove, and three bathing beaches may be provided. Navigation will be benefited and adjacent land values over a large area enhanced.

Arthur C. Comey.

❧

Uniform Crime Reporting. A Complete Manual for Police. By the Committee on Uniform Crime Records of the International Association of Chiefs of Police. Published by the Committee, 261 Broadway, New York City, 1929. 464 pp.

Nearly every one knows that we have no crime statistics in the United States. We know a little bit about people who get sent to penal institutions—and here and there a community looks at its grist of court cases or makes a criminal survey of a restricted area. But substantial information about the volume of crime (penal statistics are not statistics of crime), geographical distribution of crime, whether crime increases or decreases, whether particular offenses increase or decrease, success of police in going after crime—these and many other questions about crime are unanswered by available information. There are quite obvious reasons for this. Police departments, by and large, have not developed any interest in crime figures; few chiefs, probably, regard such figures as important. Records kept by two departments would not be uniform, and therefore no comparison could be made of the results. Add to this the fact that the statutory definitions of crimes differ considerably in the various states, and you have a situation that throws the whole task of crime reporting into chaos and confusion—and it has seemed likely that order would never emerge from this chaos.

When the International Association of Chiefs of Police designated a Committee on Uniform Crime Records, in 1927, therefore, people having knowledge of this situation saw a prospect of improvement. If the *police* became interested in good crime reporting, something might be done. The Committee now publishes its proposals and the results of its labors; these amount to a practicable plan for obtaining uniform crime reporting over the whole of the United States. Two approaches were possible. One was to secure the adoption of uniform crime laws, giving the nation a single body of definitions and nomenclature. This seemed to the Committee chimerical. The other was to analyze all these diverse codes and systems to the end that, by exclusion and inclusion, existing differences might be eliminated or minimized, paving the way for the collection of uniform statistics.

That is what the Committee has done, and it was a large task. Under the direction of Bruce Smith, the penal codes of all states have been analyzed and schedules drawn up which, when placed in the hands of officers in all the states, will permit the return of information which can then be collated with information from other states and worked into uniform crime statistics for the whole country.

The schedules call for information about "offenses known to the police," and if the police of the country will use this manual and the blanks carefully worked out by the Committee, we shall discover some day that we know something about the distribution, incidence, and other aspects of crime.

All returns, according to the Committee's plan, will go to the bureau of investigation of the Department of Justice in Washington, which will collect and compile the returns. That supplies the needed central authority. It would be quite impossible here to describe details of the mechanism, but these seem to be adaptable to the conditions and limitations of police authorities. Not only is continental United States covered, but outlying territories and possessions; and special devices have been worked out for urban and rural regions. Too much praise cannot be given the Committee for its laborious and exacting work. Coming from policemen themselves, the plan should appeal to other policemen—and while its success can be determined only by application, the *way* has now been supplied for getting uniform and comprehensive crime statistics. To persuade thousands of police departments, sheriffs and federal officers to use the plan is now the next step—and the Committee realizes that that is no small job.

WINTHROP D. LANE.

Croton-on-Hudson, New York.

* * *

ARKANSAS BUSINESS LAWS AND TAXATION. A Report by the Special Honorary Commission appointed by Governor John E. Martineau. George Vaughan, Chairman. Little Rock, Arkansas, 1929. 267 pp.

The State of Arkansas has the lowest per capita taxes of any state in the United States. This significant fact suggests that any comprehensive study of the state's taxation system should give special attention to a careful analysis of expenditures and probable future needs of the state. While the report presents an unusual diversity of contents, it omits practically altogether such an analysis. The essential features of the report are the description of the Arkansas revenue system, a summary of economic and business conditions in Arkansas, an interesting graphic presentation of state and local taxes, an outline of defects in the present laws and their administration, and finally a proposed plan for a readjustment in taxation presented by the chairman together with a series of recommendations endorsed by the commission.

The flaws in the revenue system which the commission finds most glaring are a dismal failure to reach a vast body of taxable property; the indifferent practice of assessing officers under the township board régime, resulting in the widest disparity in the several districts in the assessment of property identical in character and worth; an almost total inability to secure any contributions from intangible property; and the inflexibility of a system which shuts its eyes to profits in groping after physical property alone. Classes of property which have been escaping the dragnet of the law are mineral properties, pipe lines, automobiles, oil in storage, private car lines, and intangibles.

The commission recommended that no excise or income tax law be passed. Three of the seven members, however, registered their dissent to this recommendation. The commission was unanimous in recommending the abolition of the township assessment system and the establishment of county equalization boards appointed by the state tax commission or the governor. There were two dissents on the recommendations that all previous tax laws be repealed, and that new revenue, if necessary, be sought from a system of state privilege taxes such as those of Virginia and North Carolina. The commission disapproved, although one member dissented, the lifting of any part of the county road tax and substituting therefor revenue to be derived from an increase in the motor fuel tax.

Part IV of the report consists of a study of the business and corporation laws of Arkansas by J. S. Waterman, dean of the law school of the University of Arkansas. Part V is the presidential address of the chairman on "What Price Government," delivered before the annual conference of the National Tax Association at Philadelphia in 1926. Part VI is adapted from a paper on an integrated system of state and local taxation, delivered by the chairman in 1921 before the Southwestern Political and Social Science Association. This is an outline of the model plan of the National Tax Association.

This report contains a mine of information on the tax situation in the state of Arkansas. The reviewer believes that the value of the report might have been enhanced by more intensive field studies along the lines of the North Carolina report, although such investigations undoubtedly require elaborate staff agencies. The chairman of the commission is to be complimented for the interesting presentation of the material and for the inclusion of modern and progressive ideas on tax reform, even though these ideas were not always endorsed by the majority members of the commission.

MARTIN L. FAUST.

TAXATION AND INDEBTEDNESS OF LOCAL GOVERNMENTS IN PENNSYLVANIA. By Leonard P. Fox, Ph.D. Pennsylvania State Chamber of Commerce: Harrisburg, Pennsylvania, 1929. 22 pp.

This pamphlet issued by the Research and Information Bureau of the Pennsylvania State Chamber of Commerce represents a praiseworthy effort to stimulate the study of local taxation and government costs by local business organizations and associations throughout the state. In addition to directing attention to the need for such study, the pamphlet makes suggestions on the matter of technique. There are 5,514 separate taxing districts in the state, which means that in every community there are at least three and sometimes four separate local taxing authorities. The pamphlet shows the trend in local tax levies since 1912 and the distribution of these levies among the different local government units. There is also a brief analysis of the local debt burden. With regard to suggestions for the study of local finance, the author emphasizes the essential points to be covered by a debt survey, the budget for capital expenditures, the county unit plan of assessment, sound assessment standards, and the costly fee system of tax collection. MARTIN L. FAUST.

REPORTS AND PAMPHLETS RECEIVED

EDITED BY WELLES A. GRAY

Assistant Director, Municipal Administration Service

Report of the Kansas Tax Code Commission.—By the Commission. Topeka, December 1, 1929. 176 pp. Here is a report on the revision and codification of the tax laws of Kansas. Such phases of taxation as income and inheritance taxes, gross production taxes, sales taxes, the taxation of banks, insurance companies, corporations and motor vehicles, and the taxation of intangibles are fully discussed, generally and as to their local application.

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Collection and Enforcement of Taxes on Personal Property in New Jersey.—By Thomas B. Usher. Trenton: Usher Publishing Company, 108–114 North Broad Street, 1929. 7 pp. The author was at one time secretary of the New Jersey State Board of Taxation. In this leaflet the essential provisions of the state laws on this subject are summarized.

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The Budget of the Board of Education, 1930.—By the Rochester, N. Y., Board of Education, 1929. 16 pp. This pamphlet shows in detail the expenditures for the past five years, together with the estimated expenditures for 1930. Planned for popular consumption, this is no dry document, but an interesting and well-put-together picture of the expenditures for education in a moderately large city.

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Recreation Areas in Real Estate Subdivisions.—By the Playground and Recreation Association of America. New York, 1930. 14 pp. The main feature of this study is a chart, eight pages in length, which gives in detail, by city and state, real estate subdivisions in which recreation areas have been set aside. Data as to size, taxes, maintenance, etc., are included.

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Personnel and Salaries of Police Departments in Wisconsin Cities, 1929.—Compiled by Celia Harriman, Municipal Information Bureau, University of Wisconsin. Madison, November, 1929. 16 pp. (Mimeographed.) This pamphlet gives the complete personnel and salary schedule for the police departments in 117 of the 143 cities in Wisconsin.

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Report of the Interim Committee on Forestry and Public Lands to the Wisconsin Legislature of 1929.—Madison, 1929. 46 pp. A detailed study of the forest situation in Wisconsin, the history and operation of forestry legislation in that state, and recommendations for improvement, which include the encouragement of private forestry, and the further development of public forestry.

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Report on the Los Angeles Mountain Park Company's Application.—By Carol Aronovici. Los Angeles: Thorwald Siegfried, 130 South Broadway, 1929. 30 pp. This is a report of an investigation, made by Dr. Aronovici, regarding an application for a permit to locate a quarry and rock crusher in a residential zone. The operation of the California zoning law and its flexible clause are discussed, together with the general effect of industrial incursions into the residential zones of Los Angeles.

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Annual Report, Board of County Road Commissioners, Wayne County, Michigan.—Detroit, 1929. 214 pp. This copious report covers a great variety of road construction projects planned, undertaken, or carried on in Wayne County (Detroit) in 1929.

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Planning Whys and Otherwise.—Bulletin of the Pennsylvania Association of Planning Commissioners, Harrisburg, Pa. State Department of Internal Affairs, Bureau of Municipal Affairs. July, 1929. 67 pp. This is a collection of excerpts from papers at the annual conference of the Association. It includes reports on planning progress in various Pennsylvania cities and addresses on different aspects of city planning in Pennsylvania.

JUDICIAL DECISIONS

EDITED BY C. W. TOOKE

Professor of Law, New York University

Officers—Removal—Effect of Sentence on Conviction for Crime.—This question of the power of a city to remove appointive officers guilty of misconduct in office is usually held to be a common law incident of the corporation, but the question of the power to remove officers elected by the people is usually held to be dependent upon an express grant of statutory authority. The offenses for which an officer may be removed include acts that have no direct relation to the discharge of his duties but are of so infamous a nature as to render him unfit to execute the duties of the office. The weight of authority in this country supports the view that such infamous acts may include those committed prior to his term of office. A review of the cases on these points may be found in *Richards* v. *Clarksburg,* 30 W. Va. 491, and *Allen, Att'y Gen.* v. *Tufts,* 239 Mass. 458.

In *Commonwealth* v. *Davis* (not yet reported), decided by the Supreme Court of Pennsylvania January 13, 1930, the mayor of the city of Johnston was indicted, tried and convicted of misbehavior in office and a part of the sentence of court was that "he shall be and hereby is removed from office." The constitution of the state of Pennsylvania provides that "all officers shall hold their offices on the condition that they behave themselves well while in office and shall be removed on conviction of misbehavior in office or of any infamous crime." Upon the question whether the sentence of the court effected the removal, or whether, as claimed by the defendant, the removal could not be made effective except by following a method prescribed by statute, the court holds that the constitutional method is exclusive and self-executing. The penalty of removal was necessarily the result of the conviction for "misbehavior in office" and hence was properly included in the sentence of the court.

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Zoning—Restrictions May Not Be Based upon Race Distinctions.—An ingenuous argument in support of the validity of a zoning ordinance which would operate to create "white" and "colored" residential districts was recently presented before the United States Circuit Court of Appeals in Virginia (4th Circuit) in the case of *City of Richmond* v. *Deans* (not yet reported), decided January 14, 1930. It was contended that, since the statutes prohibiting miscegenation have been upheld as a valid exercise of the power of the state and not violative of any constitutional provision, a residential restriction based upon a similar classification should be upheld upon the same grounds.

This argument was an attempt to avoid the effect of the decisions of the United States Supreme Court (*Buchanan* v. *Warley,* 245 U. S. 60; *Harmon* v. *Tyler,* 273 U. S. 668 reversing *Tyler* v. *Harmon,* 158 La. 439) and of the Supreme Court of Virginia (*Irvine* v. *City of Clifton Forge,* 124 Va. 781, 97 S. E. 310) to the effect that discriminations based solely on color are in violation of the Fourteenth Amendment.

The court held that the mere fact that the zoning ordinance in question bases its interdiction on the legal prohibition of intermarriage and not specifically on race or color is not controlling, as the legal effect of the ordinance itself is based on a discrimination as to race and color and the question here presented, on final analysis, is identical in principle with that raised and adversely passed upon by the court in the cases above cited.

✤

Initiative and Referendum—Administrative Boards—Finality of Decisions.—In *State ex rel. Loomis* v. *City of Lincoln,* decided February 4, 1930, by the Supreme Court of Nebraska, the court holds that when an official body, to which the determination of any question is committed by statute, makes its formal decision, such finding has the force of a judgment of a court of limited jurisdiction and is to be considered final. The decision in this case was made by the city council in discharging the duty imposed upon it to determine the regularity of an ordinance enacted by initiative and referendum. The difficulties surrounding all methods of direct legislation by the people are so great that no plan can be practicable unless the courts relax many of the old rules of strict construction of the exercise of municipal powers in order to carry out the primary intent of the legislature that such a method of ordinance-making shall be workable. Every legitimate presumption of the regularity of such a proceeding should be indulged in by the courts, especially where the state constitution authorizes or directs such methods of local legislation. The decision in the instant case, therefore, is to be supported upon the ground that it tends to make practicable the initiative and referendum provisions prescribed by statute.

◆

Municipal Functions—Manufacture and Sale of Ice as a Public Utility.—In *Bourland Ice Co.* v. *Franklin Utilities Co.*, decided December 23, 1929, the Supreme Court of Arkansas holds that a statute regulating the sale, delivery and distribution of ice and vesting the supervision of ice companies in the railroad commission, with power to consolidate such facilities in its discretion, violates the provisions of the state constitution prohibiting the granting of monopolies and exclusive privileges to any person or group of persons. The court reached this conclusion on the theory that such a business not being affected with a public interest "not inherently dangerous to the public welfare or morals," any person may engage in it as of common right.

Where the question has arisen it has been held that an ice plant is a proper subject of regulation under the police power, its operation being necessary to the comfort, health, and convenience of the public. (*Saunders* v. *Arlington*, 147 Ga. 581, 586.) In *State ex rel. Hayes* v. *City of New Orleans*, 154 La. 290 (1923), it was held that a municipal ordinance which prohibited the establishment and operation of an ice plant in a particular locality of the city was a legitimate exercise of the police power. The holding in the instant case, however, is that an ice plant cannot be considered such a public utility as to be included within the jurisdiction of a public service commissioner because, although a necessity, it does not sufficiently affect the welfare of the community as to require its control by the public. It may be noted that an opposite conclusion was recently reached by the Texas Commission of Appeals in *City of Denton* v. *Denton Home Ice Co.*, 18 S. W. (2d) 606 (see Judicial Decisions, December, 1929), which decided that under the provisions of the municipal charter "the manufacture and sale of ice may be a public utility subject to the control of the city."

◆

Zoning—Release of Property from Restrictions by Vote of Property Owners Held Unconstitutional.—The Supreme Court of Illinois in *Spies* v. *Board of Appeals*, 169 N. E. 220, holds that the generally accepted rule, that an ordinance may provide for the exemption of property from a restriction for use to be effected by a vote of the adjacent property owners, is to be limited to those uses which are properly subject to the exercise of the police power, such as livery stables, saloons, garages, and bill boards, and cannot be extended to include community grocery stores in a residential district. The court holds that such a provision is an attempt to do indirectly what cannot be done directly, that a zoning ordinance cannot deprive the owner of valuable property rights under the guise of prohibiting or regulating any business or occupation that has no tendency to injure the public health or morals or interfere with the general welfare.

The ordinance in question contained the following paragraph:

> Community stores may be established or erected for the convenience of any community at any point or place in either the "A" or "B" residence zones if there is presented to the building inspector, with the application for building permit, the consent in writing of the owners of seventy-five (75) per cent of all the property within a radius of three hundred (300) feet of the proposed establishment, provided that the regulations for setback, side-yard and rear-yard areas and height and all other provisions of this ordinance relating to the "A" and "B" residence zones are complied with. "Community store" is defined in section 3 as small store building built for the benefit and convenience of a given community, located either in the "A" or "B" residence zones.

In holding this provision invalid, the court cites as authorities: *Washington* v. *Roberge*, 278 U. S. 116; *Nectow* v. *Cambridge*, 277 U. S. 183; and its own decisions in *People* v. *Chicago*, 261 Ill. 16, 103 N. E. 309 and *People* v. *Oak Park*, 331 Ill. 406, 163 N. E. 445.

While this case turned on the extent of the power to zone, it may be noted that the method adopted was not in itself objectionable. It is well settled that a provision in an ordinance restricting a use upon a petition or vote of a majority of the adjacent land owners is invalid [*Eubank* v. *Richmond*, 226 U. S. 137], but that an exemption from the operation of a similar restriction imposed by law by a similar method authorized by ordinance will be sustained [*Cusack Co.* v. *Chicago*, 242 U. S. 526]. The question of a reasonable method of determining the area within which the consent of a majority of the property owners is required is, however, often one of great difficulty. The radial method prescribed by the ordinance in the instant case may sometimes work serious injustice by giving an undue advantage to owners of properties situated near the border line of the zone, but usually will work out to give adequate protection where the vote required is placed at two-thirds or three-fourths of the property within the area. An attempt to define a residential district by the nature of the existing use of a majority of the property within a certain distance of any given property was declared to be invalid by the New York Court of Appeals in the case of *In re Kensington-Davis Corporation*, 239 N. Y. 54 (1924) for the reason that the statute authorizing zoning contemplated fixed areas with defined boundaries.

⁂

Eminent Domain—Measure of Damages for Lands Taken—Widening of Streets.—The ever increasing vehicular congestion in municipal traffic and the attempts of city officials to provide for current and future requirements have presented anew the question as to the proper rule for measuring the damages to be paid to the owner of land, part of which is appropriated for street-widening purposes.

In the recently decided cases, *In re Bagley Avenue*, 226 N. W. 688, and *Grand Rapids* v. *Barth*, 226 N. W. 690, the Supreme Court of Michigan applied the rule that where part of a plot is taken to widen a street the damages may be measured by the difference in value of the entire plot before the appropriation and the value of the remainder after the taking. This rule usually works out justly to give the owner the value of the land taken where all the land in the plot is of the same value, or where the principal item to be considered is the damages to the remainder of the plot. Thus in a case where an easement alone is taken, the rule works out substantial justice because all the damages to be recovered in such a case are consequential. But where no consequential damages are sought the owner, under the state constitutional provisions requiring just compensation and under the limitations imposed by the Fourteenth Amendment, should be entitled in any event to recover the market value of the land taken. If the plot consists of city lots differing widely in value, the application of the rule to the taking of the more valuable frontage inevitably results in penalizing the owner for his larger holdings by deducting from the value of the lots taken the benefits to the remainder. The assessment of benefits is an exercise of the power of taxation and the Fourteenth Amendment requires due process for its exercise. (*In Matter of New York*, 190 N. Y. 350.)

In the case of *In re Improvement of Third Street*, 225 N. W. 92, recently decided by the Supreme Court of Minnesota, this distinction is recognized. In setting aside as inadequate a judgment for $3,221 for lands taken for widening the street which comprised approximately ten per cent of the whole lot, valued at over $66,000, a result that had been reached by applying the rule of the difference in value before and after taking, the court pointed out that in the proceeding to widen the street, assessments were to be made upon the property benefited for the improvement, and that, as no consequential damages were claimed, the effect of the finding was to tax the owner in the condemnation proceeding without due process of law. The court upon this point said:

> In nearly all condemnation cases which have come before this court involving the taking of part of an entire tract, the owner has claimed damages not only for the value of the part taken, but also damages resulting to the part not taken, and in many of the cases there has been involved also the question of benefits to the part not taken, to be deducted from the damages. In such cases, the rule, correctly enough followed, is that the compensation to be awarded is the difference between the market value of the entire tract as it was before the taking and the market value of the remaining tract after taking away the part. But we know of no case, where benefits were not involved, in which it was held that the landowner was entitled to less damages than the market value of the part taken as it stood before the taking. The rule for taking the value of a tract or farm before and after the condemnation to measure the damages was adopted, not for the purpose of giving the owner less than the value of the part taken, but for the purpose of permitting him to recover additional damages resulting to the remainder of his property."

The Supreme Court of Illinois in the case of *Chicago* v. *Cruse*, 169 N. E. 322, decided December 20, 1929, points out that where the owner has devoted several lots to one use, he has a right to have the value of the part taken considered with reference to the entire plot. In that case, the owner had placed his house on one lot and had improved other lots as grounds about his residence. The evidence showed that the part taken was of greater value as part of the entire property than if considered as a single piece entirely disconnected from the residue. The primary rule that the owner is entitled to the fair market value of the land appropriated based upon its most available use was violated by the refusal of the court to charge the jury that it might be considered as part of the larger property. The increased value of a lot owned with other lots due to plottage cannot be ignored in determining fair market value.

PUBLIC UTILITIES

EDITED BY JOHN BAUER

Director, American Public Utilities Bureau

THE SUPREME COURT IN THE BALTIMORE FARE CASES

On January 6 the Supreme Court of the United States, with the usual three judges dissenting, found inadequate and confiscatory the rate of fare fixed by the Maryland public service commission for the United Railways & Electric Company of Baltimore. The decision is important because it deals with a difficult situation, and particularly because it marks fresh developments.

This company has been before the commission and the courts almost continuously for more than ten years. It has been confronted less with legal difficulties than with the practical task of securing sufficient traffic, at any level of fares, to produce the desired financial results. It had a 5-cent fare up to 1918. Then "purely as a war emergency and during the period of war conditions," it sought an increase, and on January 17, 1919, obtained the approval of 6 cents. Subsequently, the fares were advanced successively to 7 cents cash, four tokens for 26 cents; 7 cents flat; 8 cents cash, two tokens for 15 cents; 9 cents cash, three tokens for 25 cents; finally, 10 cents cash, four tokens for 35 cents. The company desires a flat fare of 10 cents. Will it now obtain a return which it will consider adequate and not confiscatory?

In the latest appearance before the state commission, the fare was fixed at a level to bring a return of 6.26 per cent upon the value of the property, placed at $75,000,000, and was upheld by the Court of Appeals of Maryland. It was then taken to the Supreme Court of the United States, on the claim of confiscation, which involved primarily the adequacy of the rate of return of 6.26 per cent and depreciation charges.

WHAT RATE OF RETURN IS INADEQUATE?

As to rate of return, the Supreme Court found 6.26 per cent inadequate and confiscatory. The decision appears to be based upon two principal considerations: (1) The particular financial situation of the company; and (2) the position of the Supreme Court and the lower federal courts in other rate cases. Mr. Justice Sutherland, who presented the majority opinion, for the most part took the position that the proper percentage is the rate required "in order to induce the investment of capital in the enterprise, or to enable the company to compete successfully in the market for money to finance its operations." Since 1920 the company had borrowed, from time to time, about $18,000,000, upon which it has been obliged to pay an average rate of interest ranging well over 7 per cent—"and this has been the experience of street railway lines quite generally."

The investing public has been reluctant to furnish new capital for street railways, and has demanded high interest rates, with special safeguards for the invested funds and the return. This has been due to the high costs, increasing automobile competition, and loss of traffic against which the companies have been struggling.

WHAT WILL THE TRAFFIC BEAR?

A rate of 6.26 per cent probably is less than the present average cost of new capital for any surface street railway systems throughout the country. But there is also this fact, not referred to by Judge Sutherland, that probably few companies can make 6.26 per cent under any system of fares that may be devised, especially if this percentage is applied to a valuation based principally upon reproduction cost of the properties, and if liberal provisions are made for intangibles ($5,000,000 in the particular instance for easements and over $8,000,000 for going value). In obtaining such a return, a street railway company is limited by what the traffic will bear; *i.e.*, by the value of the service. There have been frequent references in rate cases to the market value of the service as a limit to rates or fares. They have been left, however, as abstractions, without concrete application to individual instances. But they probably apply to the Baltimore properties.

We have had occasion to make numerous surveys of street railway finances, and we are convinced that the companies are yet not able to earn what would be considered ordinarily a fair rate of return, and, particularly, not a rate consistent with the cost of money for new street railway financing.

It is futile to work up a theoretical rate which has no economic reality. In most instances, the fare which will bring the highest net earnings, will probably not greatly exceed the conventional 5 cents; in most municipalities 10 cents is probably prohibitive of sufficient traffic. The companies must struggle to bring operating economies to the maximum, and to promote traffic by feasible service inducements. Litigation for higher fares would hardly seem profitable, even if nominal victory is achieved before the Supreme Court. Abstractly, 6.26 per cent may be inadequate, but actually the company will be fortunate, if, through any rate schedule, it succeeds in obtaining that percentage.

OTHER UTILITIES DIFFERENT

Judge Sutherland proceeded also more broadly to justify the decision that 6.26 per cent is inadequate, by considering other public utility cases which have been before the Supreme Court and other federal courts. In this broader field, his statements will hardly stand the test of economic analysis:

> What is a fair return within this principle [that neither the corpus of a utility property, nor the use thereof, can be taken for a compulsory price which falls below the measure of just compensation] cannot be settled by invoking decisions of this court made years ago, based upon conditions radically different from those which prevail today. The problem is one to be tested primarily by present-day conditions. *Annual returns upon capital and enterprise*, like wages of employees, cost of maintenance and related expenses, *have materially increased the country over.* This is common knowledge. A rate of return upon capital invested in *street railway lines* and other public utilities which might have been proper a few years ago, no longer furnishes a safe criterion either for the present or the future. (Italics ours.)

What is true of street railway lines is not true of certain other public utilities—electric companies, for example. Street railways are obsolescent, suffering declining traffic and shattered credit, while electric companies are progressive industries, with rapidly growing business and expanding economic opportunity. As to this latter group, the facts are against Judge Sutherland's statement that annual returns upon capital and enterprise have materially increased the country over—if, as we assume, he had in mind the Consolidated Gas case, decided in 1909, when the Supreme Court held a 6 per cent return as not confiscatory. As an economic fact, the annual returns required upon new capital today for electric companies are little, if any, greater than in 1909 for utilities of like financial standing.

Prices have risen materially since 1909, but interest rates or other costs of capital are but slightly higher, if at all; there has not been the increase which Judge Sutherland would have us accept as common knowledge.

DEPRECIATION CHARGES

Apart from rate of return, the decision is important also with respect to depreciation. It asserts that the depreciation allowance in operating expenses must be based upon present value, and not upon actual cost of the properties for which replacement provisions are being made. The statement is as follows:

> The allowance for annual depreciation made by the commission was based upon cost. The court of appeals held that this was erroneous and that it should have been based upon present value. The court's view of the matter was plainly right. One of the items of expense to be ascertained and deducted is the amount necessary to restore property worn out or impaired, so as continuously to maintain it as nearly as practicable at the same level of efficiency for the public service.
>
> The amount set aside periodically for this purpose is the so-called depreciation allowance. Manifestly, this allowance cannot be limited by the original cost, because, if values have advanced, the allowance is not sufficient to maintain the level of efficiency. The utility is entitled to see that from earnings the value of the property invested is kept unimpaired, so that at the end of any given term of years the original investment remains as it was at the beginning. (*Knoxville* v. *Water Co.*, 212 U. S. 1, 13–14.)
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> This naturally calls for expenditures equal to the cost of the worn-out equipment at the time of replacement; and this, for all practical purposes, means present value. It is the settled rule of this court that the rate base is present value, and it would be wholly illogical to adopt a different rule for depreciation.

The almost universal practice among commissions in rate making is to base depreciation charges upon the actual cost of the properties. The underlying conception is to base rates upon cost; that the consumers should pay currently the actual cost of the particular units of property as they are used up in service. When an old unit has been replaced, then the cost of the new becomes the basis of subsequent depreciation charges. Its cost is then included in the operating expenses during its lifetime, so that again the consumers will pay for the actual cost of property consumed in service. This view has now been declared invalid. Depreciation charges must henceforth be based upon the property values as found at the time of rate making. While this shift involves serious difficulty as to practical application, both in fixing the annual charges and accumulating a proper reserve for depreciation, it does produce theoretical consistency between the basis of valuation and the basis of determining depreciation. In principle, at least, value and depreciation are dependent upon the same basic factors.

SCOPE OF JUDICIAL REVIEW

But apart from consistent doctrine, there is, however, the fact that the cost method could be followed with entire financial solvency to the industry, and with fairness to the companies as well as the consuming public. A pertinent observation, therefore, is that the decision extends the scope of judicial review beyond the mere assurance of an adequate return, to prevent confiscation; for a fair return can be obtained under either method of providing for depreciation. When prices have risen, a company's financial status may, perhaps, be better safeguarded by having the depreciation charges based upon present costs, rather than upon original cost. This shift, however, has nothing directly to do with the actual provision of a fair return, which, presumably, is the ultimate fact of judicial inquiry. If a company actually obtains a fair return, it would seem immaterial, as to rate-making policy, whether depreciation charges are based upon actual cost or renewal cost of the properties.

The decision raises the question as to the ultimate position of the Supreme Court with respect to the deduction of depreciation in determining fair value. The language used in recent decisions has laid stress upon actual or observed depreciation, and has led to contention among the companies that the deduction for observed or actual depreciation would not include obsolescence and inadequacy, or other functional depreciation, but only such elements as can be readily seen, particularly the more obvious deferred maintenance. For our part, we have not been able to see in any of the Supreme Court decisions and opinions, any such limited conception of depreciation. While the deduction should be based upon actual examination and studies of the properties—not mere theoretical studies based upon life-tables—we have found no language stating that the Supreme Court would prevent the inclusion of obsolescence and other functional depreciation, if actually the property is obsolete or functionally depreciated.

The present decision deals wholly with the charges to operating expenses for depreciation, and not with deductions in the determination of fair value. The language employed by Judge Sutherland, however, does indicate that all elements of depreciation must be included in the operating expenses, and, presumably, the same elements would enter into the determination of fair value. If there is to be consistency between operating charges and the deduction with respect to values, then the consistency would apply also to the factors which produce depreciation.

DISSENTING OPINIONS

There was a sharp dissenting opinion by Mr. Justice Brandeis, joined in by Mr. Justice Holmes, also by Mr. Justice Stone, who, however, prepared a supplementary opinion with respect to certain phases of depreciation.

Judge Brandeis could not follow the majority in the view that 6.26 per cent upon the value of the property is confiscatory. He pointed out that the company enjoys a monopoly in one of the oldest, largest and richest cities on the Atlantic seacoast. Under these circumstances, a return at the rate of 6.26 per cent would not seem to be confiscatory. But, according to his analysis, the rate of return realized under the rates fixed by the commission was actually much greater than 6.26 per cent. He made two adjustments: first, as to the franchise or easement values allowed in the valuation; and, second, as to the allowance in operating expenses for depreciation. The two adjustments bring the rate of return up to 7.78 per cent, which comes up to the level which the majority of the court would view as adequate.

EASEMENTS AND FRANCHISES

As to the first point, the commission's valuation of $75,000,000 included $5,000,000 for easements. This amount had been fixed in another case, and had been included by the commission because it had been taken under the state law as the basis of taxing the company for intangibles among its real property. Judge

Sutherland, for the majority, took the position that no question was raised in the state courts with regard to the $5,000,000; hence concluded that it was too late to raise the issue of justification, if there ever was cause for raising it. Judge Brandeis disagreed with this view, and held that the valuation must be judged under the federal rule, without regard to what may have been done under the state laws and state administration. He pointed out that the easements represent merely the rights of the company to place tracks in the public streets, and to maintain and operate them; that they are no different from franchises, and "in determining whether a prescribed rate is confiscatory under the federal constitution, franchises are not to be included in valuing the plant, except for such amounts as were actually paid to the state, or political subdivision thereof, as a consideration for the grant." (References are given to cases dealing with franchise valuations.)

If the easements are excluded, then the rate of return upon the remaining value of $70,000,000 would be increased from 6.26 per cent to 6.70 per cent, and would come measurably nearer the rate of return commensurate with the view of the majority.

DISAGREEMENT ON DEPRECIATION

The principal point of dissent, however, is the allowance for depreciation. The commission originally had included the company's actual charges for maintenance, plus 5 per cent of the operating revenues as an allowance for depreciation. This amounted to $883,544. The 5 per cent had been adopted many years before by the company itself, and had received the sanction of the commission as adequate, when coupled with the annual expenses for repairs and minor replacements. In its original decision the commission pointed out that the depreciation might more properly be based upon actual cost than upon a percentage of revenues; but that, in any case, the proper amount depends upon the provisions made for regular maintenance, and that the two elements are interdependent; and that depreciation cannot be considered by itself, independently of maintenance.

The Court of Appeals of the state decided that the proper basis of determining depreciation was the present fair value, and not actual cost of the property, and directed the commission to correct its depreciation allowance in conformity with this view of the law. The commission then added $755,116 to the depreciation charge, and adjusted the fares accordingly, so as to provide the additional revenues. The fare thus fixed was approved by the Court of Appeals, and was then carried by the company to the Supreme Court of the United States. With regard to the law, the majority of the Supreme Court agreed with the state Court of Appeals, and thus accepted the re-determination by the commission in accordance with the law.

Judge Brandeis disagreed with the majority as to the law—that depreciation charges should be based upon present value rather than upon cost. He pointed out that proper depreciation charges must be considered in conjunction with the expenses for maintenance, and that actually the 5 per cent provision fixed by the commission had made adequate allowance for renewals, and that the company itself had based its dividend payments upon that level of depreciation charges.

Judge Stone pointed out, in addition, that even if it were assumed that the function of depreciation charges for rate-making purposes must be taken to be the establishment of a fund for replacement of plant, rather than the restoration of cost, or value of the original plant investment, the present value would not give the measure for replacing all the elements of a composite property purchased at various times, at varying price levels. What the required amounts would be is a question of fact, and not of law. This cannot be answered by *a priori* reasoning. Experience is the only guide; and the actual experience for fifteen years of high price levels indicates that the provisions made by the commission have been adequate.

MUNICIPAL ACTIVITIES ABROAD

EDITED BY ROWLAND A. EGGER

Princeton University

Housing in London.—The recent developments in the housing projects of the London County Council, involving probably the most comprehensive attempt yet made to cope with housing congestion in metropolitan areas, should be of especial interest to American students of municipal affairs. The Report of the L. C. C. Housing Committee for 1924 outlined a ten-year program for the area involving the construction of approximately 150,000 houses. Since the War over 200,000 houses have been constructed in Greater London. Of these, 70,000 have been built by municipal authorities, with the assistance of state subsidies. The L. C. C. has built over half of the municipally constructed dwellings. It should be remembered that urban London extends far beyond the limits of the administrative county, and that of the twenty-eight boroughs in the county, only four have any available land left upon which to locate housing projects; moreover, except with the consent of the Ministry of Health, they are not empowered to purchase land outside their corporate limits for such purposes.

OVERCROWDING

One of the most difficult problems in the London region is that of overcrowding. The following statistics, compiled from the 1921 dwelling-places census, are indicative of the living conditions of considerable portions of the population:

Persons living:	
2–3 per room	370,000
3–4 " "	231,000
4–5 " "	60,000
5–6 " "	15,000
6 and over	6,000

The by-laws of 1926 provide that "a person shall not knowingly cause or permit any room in a lodging house wholly or partly used as a sleeping apartment to be occupied at any one time by a greater number of persons than will allow 400 cubic feet of free air for each person. . . . As far as practicable a person shall not cause or knowingly permit persons of different sexes above the age of twelve years and not being persons living together as husband and wife to occupy the same sleeping apartment." As E. M. Dence, chairman of the L. C. C. Housing Committee remarks, however, "You cannot convict the owners and occupiers of overcrowded dwellings, at least, until you have been able to come to their help in reducing the number of persons living in the houses." As a consequence, the law is enforced only as dwellings constructed by the L. C. C. or borough councils enable it gradually to be enforced.

RENTS

Another of the perplexities of the L. C. C. is the difficulty of providing hygienic dwellings for the laborers in the lower wage scales. There are three classes of laborers who occupy these dwellings:

1. The skilled artisan, clerk, etc., who is able to pay from 12 to 24 shillings weekly rent.
2. The common laborer, steadily employed, who can pay from 8 to 12 shillings.
3. The poorest section of the community, which is, in some measure, dependent upon the dole.

The greatest difficulties come in housing the two latter classes. For them the council, in the degree to which it has been able to make appreciable headway, has provided dwellings as sanitary and hygienic as possible, but plainer, and less elaborate, embodying such features as common entrances for two or more apartments, common washrooms, etc.

SLUM CLEARANCE

There are two types of slum property in London today: (1) insanitary property, for which there is no remedy but demolition; and (2) overcrowding of houses, which, but for that state of affairs, might, when properly reconditioned, provide decent habitation for single families until replanning and rebuilding is possible. It is now proposed to deal with about

30 areas, covering some 200 acres, and involving the displacement of approximately 60,000 persons. It is contemplated that this clearance project will occupy about five years. Legislation regarding compensation for clearance is inadequate, inasmuch as it makes no distinction between insanitary dwellings, and those which are simply overcrowded without being insanitary *per se.* The remedying of this legal defect is an indispensable antecedent to comprehensive reconstruction.

TOWNS AND HOUSING ESTATES

"It is one thing to speak of mass production when making gas mantles or pencils, and quite another to reap the economical benefit of mass production by the building of great estates." After considerable experimentation, Mr. Dence seems convinced of the advisability of coördinating public and private housing projects with already developed urban movement, in order to avoid special streets and sewer installations, and the expense of providing commercial facilities for the inhabitants. As he remarks, building a great housing estate of 3,000 dwellings and upwards is in effect building a town, with the necessary incidental overhead and capital outlays.

HOUSING AND THE FUTURE

Although over 130,000 houses have been built in the county of London by private construction since the War, most have been for sale purposes, and also cannot be regarded as workingmen's dwellings. Houses for sale purposes can hardly alleviate the situation for such classes of people, because of a transitory element in occupation, and also because of their incapacity to meet any rental surcharge for capital repayment. Too, private ownership of rental property of the dwelling type has ceased to offer an attractive opportunity for private capital. The future of London housing is a task of public character. —*Public Administration,* January, 1930.

⁂

A Bureau of Research at Toulouse.—For the purposes of technical improvement and coöperation, the municipality of Toulouse proposes to create, within its administrative organization, an *Office de Renseignements,* for the benefit of mayors of rural communes within the area. The office is designed to be a bureau of research and information; but in addition, and more importantly, an agency for reworking the 6,000 documents relating to local administration, issued each year by the central government, into a brief and intelligible form for the purposes of the mayors and also for the members of the Deputies.

It is expected by this means to acquaint administrative officials throughout the area with the major projects of local government advanced in different sections of the republic, and particularly those concerning relations between the great cities and the small communes. The office does not, however, supplant *l'Autorité Supérieure,* the official organ of legal advice for the communes. The Government, and especially the ministry of the interior, has encouraged the initial effort exhibited in this instance toward coöperative effort and the standardization of municipal projects. It is thought that the extension of the principle here inaugurated will be of inestimable value also to the Deputies and to the central administration in legislation, and the issuance of administrative decrees, upon municipal subjects.

It is proposed to supply the library of the office primarily from gratuitous contributions by the various technical reviews, the publications of the different ministries, and the service of the official journal. Analogous American organizations doubtless might offer illuminating comment upon the feasibility of this plan. The proposal does promise, however, a vast improvement upon the present conspicuous absence of research and information in the activities of both central and local governments with respect to municipal projects—a consequent, if not a corollary, of the complete centralization of French local administration.—*Revue Municipale,* November, 1929.

⁂

The Traffic Problem in Berlin.—The transit system of Berlin is generally conceded to have been built with as much wisdom and foresight as is customarily attributed to the framers of the American Constitution. The *Reichbahn,* the *Ringbahn,* and the *Stadtbahn* all were designed to prevent over-concentration, having encircling rather than radial routes. Berlin's street system was built to accommodate traffic for decades to come. In spite of it all, the city has developed an acute traffic problem. The complicating factor seems to have been the phenomenal increase in automobile transportation.

With customary thoroughness, the municipal officials have installed a complete system of timed signal lights, and also have instituted a comprehensive plan of routing peak traffic. All the streets have been reclassified, and the number of boulevards, or "stop streets," has been increased from 60 to 116. In connection with the street classification, restrictions have been imposed upon maximum length, width, and weight of all vehicular conveyances except rail-carriages. In order to preserve unobstructed vision of signal lights, total height of vehicles has been limited to four meters.

Because of the decentralization of purely local, or neighborhood, business enterprises and of considerable industrial work, which was among the objects of the rapid transit system, Berlin's problem is not as acute as that of many smaller cities, and doubtless is susceptible of treatment by the mild processes herein outlined. The same problem on Manhattan has produced a condition which makes vehicular traffic a travesty upon the art of locomotion. If Berlin's experience is of any significance whatever, it would seem to be as an indication of the real situs of the traffic problem—which is essentially an ecological one. Berlin's industries are scientifically placed; her transit system is designed to contribute to the original suburban development or re-centralization of commercial and industrial activity as those unable profitably to occupy central portions of the city are forced out. A comprehensive system of zoning and planning operates to stabilize the investment after readjustment has been made. There is more than a passing probability that therein, rather than in skyscrapers, subways, and many-decked streets, lies the solution to the problem of urban traffic congestion.—*Bulletin de l'Association Permanente des Congrès de la Route*, October, 1929.

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Roadbuilding from Gasoline.—The growth of automobile traffic, some results of which have been noted above, moves Dr. Goslar, of Berlin, to consider political economy. In view of the fact that a license fee bears no relation to highway usage, and does not adequately distinguish between commercial and personal vehicles as contributing factors in the problems of roads and traffic, Dr. Goslar believes that a mileage tax, most easily imposed by a levy upon fuel consumption, is the only equitable solution of the problem.

For illustration of his point Herr Goslar repairs to Switzerland. Arguments of road networks for defense have no application here. The natives are notably home bodies. The only considerable industry of the country is the tourist business. Hence, there is no real objection to a rather rigid application of the benefit principle in allocating governmental costs, at least in so far as highways are concerned.

Highways in Switzerland are divided into two categories. There are first the cantonal highways, and second, municipal streets—in the construction of which the canton assists. The experience of certain of these cantons, particularly Zürich, Berne, Geneva, Lucerne, and the old *Patrizierstadt* Basel, has been particularly illuminating. It has indicated that, for the purposes of effecting a relationship between road use and taxation for road costs, the automobile license tax is entirely unsatisfactory. While the cantonal budgets have been decreasing, the *Bundes* income from the tax on petrol has been increasing. Also, the expenditures of the cantons for highway purposes have increased—unduly, in fact, considering the general budgetary schedules. The *Nationalrat* has, therefore, passed a resolution looking to a coördination of highway construction costs and petrol taxation.

The particular manner of application of this principle—long familiar in the systems of state taxation in the United States—by Switzerland will be viewed with considerable interest by American students of public finance; it is rendered additionally significant for its possible centralizing effect upon the relations between central and local governments.—*Der Städtetag*, December 3, 1929.

* * *

Irrigation and the Metropolis.—The coördination of provision for municipal water supply and irrigation facilities for horticulture is a possibility which has intrigued Dr. Lanninger of Frankfurt-am-Main. The argument for the extension of metropolitan activity to this field is not involved. One of the primary problems of metropolitan government is that of food supply for its inhabitants; the availability of fresh greenstuffs, a good portion of which must, or economically should, be produced in its surrounding area, is an important factor in the proper performance of this function.[1] Hence, irrigation is as appropriate a metropolitan function as are the provision of markets and the extension of credits for horticultural development.

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[1] See also in this connection Böss, G., "Die Verwaltungsgemeinde Berlin und Ihre Aufgaben," *Zeitscrift für Kommunalwirtschaft*, Oct. 10, 1928; translation of which appears in this Review for January, 1930, p. 14.

From a technical point of view, Dr. Lanninger points out that such coördination is economically desirable. It permits experimentation and development of pumps and pressure contrivances of the metropolitan fire organizations which would otherwise lie idle, to say nothing of giving the local voluntary fire brigades experience and something to do in their idle moments.[1] It is at least as noble an enterprise as the free shower baths which many of our own fire departments provide in the poorer wards during the summer months.

While Dr. Lanninger's suggestion as to the expansion of the scope of municipal water supply is entirely creditable, there is a possibility that the ends of economy might better be served by the maintenance of municipal protective activities in a state of constant readiness for their really primary purposes. The matter of technical development in force-pumps and pressure devices is entirely pertinent as a possible legitimate activity of the metropolis. All in all, the suggestions contained herein are entirely relevant to the problems of the contemporary *grossstadt*, and ultimately will doubtless be involved in the integration, centralization, and extension of metropolitan areas, as well as in the development of regional planning.—*Zeitschrift für Kommunalwirtschaft*, December 10, 1929.

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Dresden's Technical Institute.—The *Technischen Lehranstalten* of the city of Dresden—one of the foremost introductory technical schools in Germany—is an outgrowth of an old private trades school. Prior to the Franco-Prussian War, its curriculum was very restricted, comprehending only the elementary subjects and the basic pure sciences. By 1886, however, its enrollment had increased to over 400, and its curriculum slightly broadened. With subsequent industrial development, and the growth of interest in technical education, its student body has increased to 2,500, to which point it is restricted at the present time.

Its curriculum includes mechanical engineering, electrical engineering, structural engineering, and general industrial organization, in addition to the introductory arts and sciences. Its courses are integrated for the training of both technicians and engineering apprentices, with a continuation curriculum for the latter class.

The school is under the direction of a committee of the municipal assembly. Its avowed purpose is to produce an adequate supply of trained technicians and engineers for Dresden industry and for the public services. The Dresden institution represents a distinct departure from the customary technical school encountered throughout Germany in the liberality of its curriculum, and also in the extension of its courses to provide training of practically professional grade.

It should be noticed that the development of industrial and trades schools, as well as the development of municipal engineering institutes of the type described, has greatly contributed to the maintenance of the purity of German university instruction even under the democratizing influences of the post-war period.—*Der Städtetag*, January 6, 1930.

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[1] See this Review for April, 1929, p. 271.

GOVERNMENTAL RESEARCH ASSOCIATION NOTES

EDITED BY RUSSELL FORBES

Secretary

Recent Reports by Research Agencies.—The following reports have been received at the central library of the Association since January 1, 1930:

Bureau of Municipal Research of Philadelphia:
Progress Report for the Year 1929.
Detroit Bureau of Governmental Research:
Survey of the City Government of Atlantic City, N. J.
California Taxpayers' Association:
Report on the City of Pasadena, California.

*

New Bureau at Baltimore.—The Commission on Governmental Efficiency and Economy of Baltimore has appointed D. Benton Biser as director of the new organization. Mr. Biser took office on February 1. He is a graduate of Johns Hopkins University and has taken graduate work in engineering there. He has served in the state department of health as a sanitary engineer. When appointed director of the new research bureau, Mr. Biser was assistant engineer in the water department of the city of Baltimore.

*

Buffalo Municipal Research Bureau.—Harry H. Freeman, director, is conducting a series of weekly radio talks on "What the City Government Is Doing." The talks are delivered over WMAK every Wednesday evening from 7:00 to 7:10.

*

California Taxpayers' Association.—The research department has completed a study of fifteen California municipal libraries, covering circulation, size, employees, and expenditures for the year 1926–1927. In the libraries studied, expenditures per volume circulated ranged from 6 cents to 13 cents. The expenditures per volume available ranged from 24 cents to $1.26. No correlation, however, was found between expenditures and volumes available, for in some instances the library with a moderate number of volumes has a high expenditure, and vice versa. Library expenditures per capita showed a wide variation, ranging from 25 cents to $1.32.

The study of the Pasadena system of assessing and collecting taxes reveals that, by consolidating the city tax assessing and collecting with that of Los Angeles County, the city could save $54,171 annually. The general laws of California empower municipalities to contract with the county to have tax-assessing and collecting done at a cost not to exceed one-half of one per cent of the total amount collected.

The Association is making a detailed study of the operations of tax assessment lien sharks in Los Angeles County. Some twenty-five hundred cases have already been examined, revealing extensive operations on the part of lien sharks who are extracting unnecessary attorney's fees and charges from the taxpayers who have allowed their assessments to become delinquent. A recommendation has been made to the city council that the city clerk be made responsible for procuring the names of and notifying all property-owners involved in assessment districts.

The educational commission of the Association is coöperating with the California State Educational Commission, recently appointed by the governor. The commissions are devoting their energies to studies of a larger school unit in the state.

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Citizens' Research Institute of Canada.—In October, 1929, the director was appointed chairman of the Vancouver Civic Salary Survey Commission. The reports have been completed and presented to the Vancouver City Council.

The Institute is now engaged in an administrative and financial survey of the township of York—a suburb of Toronto with a population of about 60,000

The *Proceedings* of the 1929 annual convention of the Canadian Tax Conference of the Institute have been published. Orders for copies were received from all over the Dominion and from many places in the U. S. A. The price per copy to non-members is $2.00.

The first of the annual *Cost of Government in Canada* series, Story No. 1 (Municipal Government) has been issued. Story No. 2 (Provincial) is in course of preparation and will be issued in the near future.

A study has been made of the double taxation of dividends and a report issued giving suggestions for more equitable taxation. This report has been highly commended and numerous requests for additional copies have been received.

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Civic Affairs Department, Indianapolis Chamber of Commerce.—The department is making progress in its plan to bring about joint action by the city, county and school city officials in the formulation of a long-term program of capital improvements. Mayor Reginald H. Sullivan and members of the board of school commissioners, who took office on January first, have informally approved the plan and it has hoped to start joint conferences on the matter very soon.

The department has completed a study showing the effect on future tax rates of additional appropriations and appropriation transfers made in the county budget during 1929 and the first month of 1930. The department plans a report on the litigation of the past few years affecting the civil city tax rate through condemnation proceedings, appeals from assessments for street improvements, and damage suits on account of improvements.

⁂

Kansas City Public Service Institute.—The Public Service Institute is at present making an analysis to determine the amount and distribution of special assessments of all kinds on the business district of Kansas City during the past twenty years. It is hoped to determine something of the method of spreading the assessments, the extent of the burden of special assessments, and whether the business district is assessed part of the expense of other districts of the city merely because it has high value properties which can afford to pay.

Continuation of follow-up work on the police survey, county government reorganization, and other studies which have been under way for some time constitute the principal present activities of the Institute.

Philadelphia Bureau of Municipal Research.—The Bureau has recently issued a memorandum entitled "Procedure and Time Required to Authorize Loans of the City of Philadelphia," which was prepared by Robert J. Patterson, chief accountant. This memorandum contains an explanation of the different kinds of loans which the city can issue and also outlines the legal requirements for each step in the authorization of each kind of loan, the minimum time required between each necessary step, and what, in the judgment of the Bureau, would be a reasonable time and a reasonable maximum time from step to step. The memorandum contains an appendix in which are set forth those portions of the constitution and laws of Pennsylvania which relate to the authorization of loans by the city.

During the time when both the city council and the board of education were considering their budgets for the year 1930, the city controller, who is also controller of the school district, proposed that certain alleged surpluses in the sinking funds of both the city and the school district be used for the purpose of decreasing the tax rate.

The controller claimed that there was a surplus of approximately $2,000,000 in the school district's sinking funds, but gave no explanation of how the surplus had been computed. The secretary of the school board came to the Bureau of Municipal Research and asked it to make a calculation of the required sinking-fund reserves, both on the basis upon which the funds had been established and operated and also on that basis except as it would have differed if 3½ per cent per year had been assumed as the rate of earnings, instead of 3 per cent. The Bureau made the necessary calculations and found that at the close of December 13, 1929, the sinking-fund assets (a small portion estimated) would be less than the required accumulation by $350,490.87, and that on the basis of the funds having been established on the 3½ per cent earnings basis there would have been a surplus accumulation of $80,290.39.

The findings of the Bureau were submitted to the secretary of the school board, and by him to an actuary, who checked and approved the calculations and conclusions. Later they were adopted by the finance committee of the school board and subsequently by the board itself, which declined to accede to the controller's request that the tax rate be reduced.

At the instance of the city controller, two prominent insurance company actuaries were employed to make a calculation of the city's sinking funds. These actuaries reported a surplus in the funds of over $7,900,000. This figure was so far in excess of any that the Bureau had ever been able to arrive at that the Bureau undertook to check the actuaries' figures. It was found that they had adopted a method which ignored several clearly defined legal requirements of the city's sinking funds, and had also ignored some essential practices which had been followed in the administration of those funds. As a result, the actuaries reported a surplus larger by over $5,585,000 than it actually was. The Bureau accordingly addressed a communication to the city council directing attention to the elements in the actuaries' calculations which it was felt made them inapplicable to the city's sinking funds. This communication was accompanied by tables comparing the calculations made by the actuaries with the Bureau's calculations, which were based upon the city's practice and the legal requirements covering the sinking funds.

A second communication, together with a table, was prepared and set forth the amount of the surplus in each sinking fund which the Bureau felt it was legal and proper to take. It is the Bureau's contention that under the law the most that can be done is to reduce the normal contribution to a sinking fund by the amount of the surplus in that fund. On the basis used by the Bureau, only a little over $2,000,000 could be taken, whereas under that used by the actuaries approximately $4,000,000 could be taken. However, as a result of the city controller's efforts, advantage was taken of practically the entire $7,900,000 of surpluses reported by the actuaries, through reductions in the regular appropriations to the sinking funds. Surpluses in excess of the normal appropriations to the particular sinking funds were even transferred to other funds and their appropriations accordingly reduced. The controller at no time furnished the city council with sufficient detail to enable the members to deal with the problem intelligently. Consequently, there has been a serious under-appropriation to the sinking funds and questions have been raised which may have to be settled by the courts.

⁂

Schenectady Bureau of Municipal Research.—As the first step in the adoption of the Schenectady long-term financial program, the city council has ordered 1,000 copies of our report printed for general distribution. The Bureau of Municipal Research and the Chamber of Commerce will take an additional 2,000 copies for their respective members. As soon as a reasonable time elapses after the appearance of the printed report, the Bureau will begin a campaign for the establishment of a permanent capital budget commission. The directors of the Bureau regard this as the most important project facing the organization.

The managing director of the Bureau has been invited by William P. Capes, executive secretary of the New York State Conference of Mayors and Other City Officials, to serve as a member of the instructional staff of the first New York state school for fiscal officers which will be held in Albany late in March. This training course for municipal fiscal officers is part of the general plan for the education of all classes of city officers. The director of the Bureau will discuss capital budgeting.

The city has for some time been contemplating the establishment of a municipal golf course. Several possibilities are open in this direction and the Bureau staff has made a study of the matter. In addition to a survey of the golf facilities of the city, the report includes a summary of the problems encountered in the construction and operation of public golf courses in the United States.

Members of the staff have been actively engaged in the police survey. At the present time, spot maps, showing the location of all complaints and arrests by precincts, collision and accident locations, signal systems, patrol beats, etc., are being prepared. Local police authorities are coöperating with the Bureau in making all data available. The preliminary legal phases of the study are practically completed.

The series of radio talks which has been given over WGY and associated radio stations, in conjunction with the New York State Mayors' Conference, has proved so popular that broadcasting authorities have granted an additional period of sixteen weeks for an extension of these talks. The speakers in the new series have been C. A. Holquist, director of the Division of Sanitation, New York State Department of Health. Frederick F. Futterer, director of recreation, Albany; Senator J. Griswold Webb, chairman of the New York State Aviation Commission; and William P. Capes, executive secretary of the New York State Mayors' Conference. The program is given over WGY and associated radio stations on Saturday evenings from 7:44 to 7:59 P.M.

⁂

Stamford (Connecticut) Taxpayers' Association.—A resolution was unanimously endorsed both by the meeting of the Association trustees and by the annual meeting of the Association membership to recommend the council-manager plan to the Mayor's Charter Revision Committee, now at work, and further pledged the Association to the conduct of an educational campaign on all forms of government and especially the manager plan.

The Association's annual meeting also instructed the trustees to circulate a petition requesting a special town meeting at which there should be considered the report of the town tax commission which was laid on the table by a town meeting a year and a half ago. This report, among other things, recommended the installation of an equitable system of assessment. After a talk by W. F. Gillespie, president of the Association, in which he explained the recommendations of the report, the meeting voted unanimously to authorize the financing and installation of a modern assessment system.

⁂

Toronto Bureau of Municipal Research.—The Bureau has sustained a great loss in the recent death of its president, Mr. Walter J. Barr.

Stories No. 2, 3, and 4 in the series on motoring safety have been issued. Requests for copies of these White Papers have been received from all over the Dominion as well as in a number of cases from the U. S. A.

The Bureau is compiling its 1930 issue of "Toronto at a Glance." This publication is a 208-page reference book dealing with Toronto and its community life and is distributed as nearly as possible at cost.

Following the report and chart on the present organization of Toronto's civic government, a chart of a proposed organization and a report in connection therewith has been prepared.

NOTES AND EVENTS

EDITED BY H. W. DODDS

Chicago Politicians Out-fiddle Nero.—The financial difficulties of Chicago's local governments continue to grow in number and complexity. Immediate concerns are: the inability to meet payrolls and to dispose of 1930 tax-anticipation warrants. Several barriers have also been raised which make alleviation of the immediate predicament and the eventual solution of the entire problem more difficult than ever before. These new complicating factors are: the refusal of the Thompson administration to coöperate with the citizens' "rescue" committee, and the revaluation of "loop" property recently ordered by the board of review. Another important angle of the situation was revealed when Governor Emmerson, in a conference of local assessing officials, called upon them to cease political maneuvering and to complete the reassessment. The governor is concerned over large revenues due the state from Cook County which now remain unpaid.

The financial situation means embarrassment and even distress to the more than 40,000 employees of the local governments involved and the thousands of pension-families and other indigent persons dependent upon the public for support. The county has paid no salaries since December 15, nor the other bodies since January 1. At this writing (February 10) no pay days are immediately in sight. The future is even darker for the employees inasmuch as the funds now legally due, even when actually in hand, will be insufficient to operate the governments for the entire fiscal year.

None of the local governments has been able thus far to sell 1930 tax-anticipation warrants. Several separate issues have been offered, but no bids have been received. The banks refuse to buy more temporary paper until the entire problem has been worked out and a solution has been accepted by all parties concerned.

The plan to pay employees and to meet other bills with anticipation notes of small denominations was proposed, but was abandoned by all the local units excepting the city hall. The citizens' committee, of which Silas H. Strawn is chairman, pointed out that the scrip would be heavily discounted. The association of local bankers also advised its members not to honor such warrants. City hall, however, has paid some of its larger obligations with this tender.

All governments, excepting city hall and the board of education, have coördinated their efforts to raise payroll cash through the citizens' committee. The committee seeks to raise $50,000,000 by inducing large taxpayers to buy warrants in lieu of cash payment of taxes later on. The association of loop building-owners pledged $10,000,000 towards the pool for "essential" services. The citizens' committee insists upon full coöperation and acceptance of its program by all the local governments before disbursing any of the fund which it will undoubtedly be able to collect in this way.

Even though the city council has voted to coöperate with the citizens' committee, the mayor and the president of the board of education, a Thompson appointee, refuse to join in the plan. The school board head proposes another "rescue" committee. Meanwhile he has tried, unsuccessfully thus far, to sell $48,725,000 of school warrants to outside bankers. The mayor and the school head also demand a revaluation of the central business district, alleging that in the reassessment the "reformers" lopped off $300,000,000 from loop tax valuations. The mayor seeks to engender sectional antagonism between the central business district and the outlying residential communities. Actually, it has been shown that the reassessment gave the "black belt," a Thompson stronghold, a percentage reduction twice that afforded loop property.

Nero was a piker compared with the officials who seek political capital out of Chicago's predicament, alleges Mr. Strawn. While the fiddling goes on and the completion of the reassessment is delayed by factions which profited by the old order of things, the solution to which the citizens' committee appears committed seems inescapable for all involved. The state supreme court recently again refused to hear the petition of a local taxing body to void the reassessment and reinstate the 1927 quadrennial valuations. No taxes can begin until the reassessment is completed and June 1 has been announced as the date of completion. Up to June 1 the local governments will need $52,000,000 to meet salaries alone.

In addition to bending its efforts to provide funds for payrolls, the citizens' committee is quietly formulating a program of remedial legislation for consideration by the state legislature. The governor is expected to call a special session after the April primaries, but then only if a definite program of legislation has been worked out and agreed upon. When a program of sound and permanent relief is completed it is difficult to see how the mayor and his cohorts can escape from coöperation.

Edward M. Martin.

⁂

The New Administration in Cleveland.—As forecast in the last issue of the Review, the Cleveland City Council on January 27 appointed State Senator Daniel E. Morgan city manager to succeed William R. Hopkins, deposed. Six of the councilmen who had voted against the ouster of Hopkins joined the majority in supporting Morgan, who received nineteen votes out of twenty-five. Six councilmen voted for other candidates as a protest against the selection of a manager in Republican caucus, but expressed regard for Mr. Morgan and promised their sympathetic coöperation.

In his speech of acceptance Mr. Morgan pledged himself to do everything in his power to give the manager plan a fair trial and emphasized the separation of functions of the council and the manager as outlined in the city charter. He said he expected to be kept very busy in his own province of administration and for several months would turn over all requests for public addresses to Mayor John D. Marshall, the president of council, who is supposed to be the ceremonial head of the city. This is a significant change of policy, for in the past Manager Hopkins has largely fulfilled the mayor's functions as well as his own, while certain councilmen have constantly trespassed on the manager's domain in the matter of appointments.

Mr. Morgan is a man of unquestioned ability and integrity, but also a staunch Republican who apparently believes in the usefulness of national parties even in municipal affairs. For that reason Cleveland awaited his first appointments with bated breath. So far there have been few changes. Five of Mr. Hopkins' seven directors are being retained, and A. J. ("Gus") Hirstius, chairman of the Republican county executive committee, has made a speech to the party workers about the noble aims of the party and the civil service provisions of the charter. This pronouncement indicates pretty clearly that there is to be no general overturn of personnel and no attempt by the party to dictate the manager's appointments. On the other hand, the two departments whose directors have been changed are the two which include most of the city jobs. Service Director Harding, a trained engineer with an admirable record, has been replaced by Rees H. Davis, a lawyer of good reputation and a former member of the school board. Utilities Director Wright, the only Democrat in the Hopkins cabinet, has been replaced by another lawyer, former State Representative Everette H. Krueger. And the city treasurer, Adam Damm, an active Democratic leader, has been replaced by Russell V. Johnson, who served in both the city and the state Republican administrations of former Mayor and Governor Harry L. Davis.

The general impression is that Mr. Morgan will try earnestly to give the city the finest possible Republican administration, with strict observance of the city charter and with the public's interest always in mind. That he will not be under the domination of the party machine is indicated by his choice for his personal secretary of Albert I. Cornsweet, politics editor of the Cleveland *Press*, which during last fall's council campaign said editorially: "We believe that the Maschke-Finkle-Hirstius (Republican) organization is the enemy of this city, and that its removal from power is the most important issue before the people today." The public is adopting a policy of watchful waiting, with a predisposition in the new manager's favor.

Meanwhile the city council, to quote *Greater Cleveland*, organ of the Citizens' League, "has started off so well in the complete reorganization of its rules and committees, and also in committee attendance, that it looks as if the new council intended to be a really deliberative body."

There are continued rumblings of fresh attacks on the manager plan and proportional representation, but the friends of these reforms feel that the situation is more hopeful than it has been for some time.

George H. Hallett, Jr.

Sacramento Removes Its Manager.—Harry A. Kluegel, an engineer of some standing in corporation, army, and bureau of research work, was appointed city manager of Sacramento, California, on October 15, 1928, to succeed H. C. Bottorff, who had been removed by the council. The removal of Mr. Bottorff, after five years of service, was the result of a campaign and an attempt to reduce taxes.

Soon after Mr. Kluegel reported for duty he was approached with a demand that a certain person be appointed chief of police. This request, like many subsequent ones, came indirectly from those outside of the city council, possibly due to the fact that the charter has the usual provision prohibiting a councilman from approaching the manager on appointments or the awarding of contracts.

It was not until February of 1929 that any criticism was made of the operation of the manager's office. Mr. Kluegel had installed in the police department a set of records for the proper recording of the activities of that department. There was much opposition to these records, or, for that matter, to any records being kept in the police department. One officer told the manager that the police department was for the purpose of "manipulation" and not for "operation." At a later date the state of California passed a law making mandatory the use of similar records in all police departments.

On February 5, 1929, Mr. Kluegel demanded a clean-up of the vice conditions which were existing in Sacramento. It must be remembered that this city still retains something of the spirit of the old mining camps. Mr. Kluegel's campaign was against the parasites, pimps, and drug peddlers especially. Bootleggers, gambling joints, and houses of prostitution were running openly and apparently under police protection. One prominent official claimed that this condition was a business asset and a necessary factor in the capital of the state. The day following this announcement, the council debated the ouster of Mr. Kluegel.

On February 12 the council demanded his resignation, which was refused. The group within the council which sought his resignation then asked him to remove five heads of departments and replace them by certain well-known politicians. In March the council again took action to remove Mr. Kluegel. During this time all but one of the newspapers, bankers, women's organizations, ministers, and business men were behind Mr. Kluegel for a clean-up of the vice conditions which existed. The grand jury described minutely the occupation and activities of the pimps and parasites, their relation to thieves, gangsters, and racketeers, and the necessity for the citizens of Sacramento and their duly elected and appointed officials to remove these conditions from the city.

Soon after this condition started, Mr. Kluegel installed sets of traffic signals and recommended the installation of a police telephone system of makes contrary to the wishes of certain members of the council, but with a saving in the appropriations made for these purposes. This caused criticism that Mr. Kluegel was favoring certain contractors in the supplying of equipment for the city. Mr. Kluegel answered all of these criticisms by saying that the chief of police would be of his appointment and directly under his orders, that he did and would padlock the most notorious "joint" in the city, which was owned by the leader of the opposition, that he would not allow the manipulation of the police department for the protection of vice interests, and that business and not politics would be the method of operation of all of his departments.

In April a movement was started to oust the members of the council and the opposition to Mr. Kluegel was removed for awhile in what seemed to be a perfect harmony of coöperation. A decided cut in the tax rate was predicted and afterwards put into effect. An article in the *American City* of November, 1929, explains one of the large savings made by Mr. Kluegel. This amounted to approximately thirty thousand dollars in the collection of garbage over the methods used in previous years. In May a new attempt to remove Mr. Kluegel failed by a vote of five to four, with six votes needed to remove. At this same time an attempt to reduce his salary failed in the council, although it was finally reduced to nine thousand dollars on June 13. In July Mr. Kluegel showed that the savings for the first quarter of the year had amounted to forty thousand dollars and in August the tax rate was reduced by two and a half cents per hundred dollars.

In the election of November the council-manager form of government was not an issue. The opposition group, known as the Unity League, promised that there would be no upset in the office of the manager but that they were attempting to elect a more representative council. On January 8 the *Sacramento Bee* announced that this "clique" of seven members elected by the Unity League would govern the city during the next two years and that four of the nine members of the council would control its action. The League promised that it would not follow the practice of its predecessors in "wrecking the government by decisions made not in the interests of governmental efficiency but to please or repay the backers of their ticket." At this point the new members of the council turned on their promise to the voters and began casting about for a new city manager despite repeated statements that the present management was to be given a chance to accomplish its program.

Subsequently, on January 23, 1930, James S. Dean, an architect, was appointed manager at a salary of ten thousand dollars and Mr. Stephens was appointed city treasurer. Both of these men were members of the executive committee of the Unity League. The appointment of Mr. Dean takes effect on March 1. In the removal of Mr. Kluegel there was no opportunity given to his two supporters on the council or to himself to present any arguments against this removal and the election of the new manager.

Subsequent to the removal of Mr. Kluegel, the newspapers have published editorials and open letters supporting the city manager form of government and speaking very highly of the results of its operation under the removed manager. These comments have shown that the form of government is endangered by the type of politics which is being played in the sustaining of conditions which are obviously not to the best interests of the city. They point to the honest, efficient, and fearless administration of affairs of the city and the ignoring of all threats of politicians and outside interests during the administration of Mr. Kluegel. His savings in the operating budgets were relatively large and of considerable importance. It is well known that it has been a much more efficient operation of all details of the administrative departments.

It seems to be the unanimous opinion of the friends of good government that Mr. Kluegel was a particularly alert, conscientious, and able manager. He has left a fine record of accomplishment behind him and by persistent effort for more than a year has been able to show the people of Sacramento that there are certain influences at work which can and will control any form of government to the satisfaction of their desire for a wide-open city. This past year has shown an interesting and very valuable experience and despite the bitter disappointment of those who are interested in the honesty and efficiency of municipal administration, it is well that we should pass through such conditions in order that we may know the type of opposition which the manager in person and the type of organization must face in order to bring satisfactory results.

Edwin A. Cottrell.

Stanford University.

⁂

First Project to Reconstruct New York's Lower East Side Begun.—The first step toward reconstruction of the congested areas of the lower East Side of Manhattan under the auspices of the New York state board of housing has been announced by the publication of the architects' plans for the model six-story, elevator dwellings soon to be erected on the site formerly occupied by the Hoe printing press factory, which covered the blocks bounded by Grand, Columbia, Sheriff and Broome Streets. Demolition of the factory buildings will be completed this month and construction of the model residential buildings will begin immediately thereafter.

This site was acquired a few months ago by Aaron Rabinowitz, a member of the state board of housing and by Lieutenant Governor Herbert H. Lehman. The total cost of the project will be $1,500,000, of which $320,000 represents the cost of the land. Approximately two thirds of the total cost will be advanced on first mortgage by the Bowery Savings Bank under the terms of the State Housing Law which provides that the annual interest shall be limited to 5 per cent. The mortgage will run for a term of twenty years with a low rate of amortization.

Actual construction will be undertaken by a limited dividend corporation created under the terms of the State Housing Law to operate the buildings at cost, with a maximum return on the capital invested, limited to 6 per cent per annum. This corporation, to be known as Amalgamated Dwellings, Inc., has been created by the Amalgamated Clothing Workers Union of America, to whom the site has been transferred by the present owners at cost.

On the completion of this project the Union will have sponsored new housing under the State Housing Law representing a total investment of

$4,600,000, providing accommodations for more than a thousand families. This building, like the other Amalgamated houses, will be operated on the coöperative plan, with an initial payment by the tenant owners of from $150 to $250 per room and monthly rentals averaging $12 per room. Some of the apartments will be available at even lower rentals. Both the construction and the management of the building will be supervised by Abraham E. Kazan to whose efforts much of the success of the Amalgamated Housing program is due.

The plans, recently announced by the architects, Springsteen and Goldhammer, provide for buildings in the form of a continuous structure with indented courts and a uniform cross section two rooms deep, insuring ample light and through cross ventilation for every apartment. The buildings will occupy only 51 per cent of the plot and every room in the square block of buildings will have windows on the street or court. Living rooms and many of the dining rooms will average 12 by 15 feet in size with a gross average floor area per room of 264 square feet. The buildings will surround a great central court 73 feet wide by 170 feet in length. This court surpasses in proportion the amount of space allotted for such purposes even in the most exclusive residential areas. It will be landscaped and will provide ample playground facilities. Because of the economies available under the State Housing Law it has been possible to provide automatic electric elevators, incinerators, and electric refrigeration, as well as steam heat, in the new building. The plans also provide for a small auditorium, a library, and a day nursery. The apartments will range from three to five rooms in size.

Bernard Baymond, the builder, anticipates that construction will be completed by the early fall.

George Gove,
Secretary, New York State Board of Housing.

⁂

Prisoners in State and Federal Prisons and Reformatories.—By the Bureau of the Census. Washington: Government Printing Office, 1929. 20 pp. The results of the first annual census of prisoners, taken in 1926, are summarized in this bulletin. It covers all state prisons and reformatories, and the four federal civil prisons. It includes tables on the movement of prison population, comparative statistics as to inmates over a period of years, tabulations of offenses and sentences, etc.

⁂

Thomas Adams, for almost seven years general director of the Regional Plan of New York and Its Environs, has resigned from the directorship. Mr. Adams will remain as consultant to the Regional Plan Association, which has been organized for the purpose of promoting the progress of the regional plan and keeping the plan in step with changing conditions. George B. Ford has been chosen general director of the Regional Plan Association, of which George McAneny is president.

⁂

A Correction.—In a brief summary of a study recently made on how playgrounds affect values, which appeared on page 69 of the January issue, we inadvertently gave credit for the publication of an abstract of the study to the wrong magazine. The study was originally published in *Playground and Recreation*, to which we were indebted for leave to publish the summary.

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Sir Austen Chamberlain

The Business Management of the Public Services
Sir Geoffrey Clarke

The Present Phase of the Housing Problem in London
Chairman of the London County Council
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The Departmental Organization of the Work of Local Authorities
F. Minshall, LL.M., and D. M. Muir, F.S.A.A.

Regional Government: Or the Next Step in Public Administration (Haldane Prize Essay, 1929)...Edgar Ashby, A.S.A.A.

The Positions and Functions of Committees in Local Administration..................................H. O. Hilary

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THE LEAGUE'S BUSINESS

League Membership Pronounced Illegal Expenditure of Public Funds.—The *Dayton* (Ohio) *Review* of February 14 carried the following item:

> Apparently the city of Dayton is spending $5 a year illegally. Attorney General Gilbert Bettman has ruled that membership fees paid to the National Municipal League or other similar organization by cities are illegal.
>
> The city of Dayton holds a $5 annual membership in the National Municipal League, by which it is informed of activities in other cities which are members of the organization, and receives other data of value.

As far as known, the attorney general has not prohibited the city of Dayton, or any other Ohio city, from spending public funds for subscription to a magazine and other publications. The ruling by the attorney general is in the nature of a tribute to the National Municipal League and also shows how carefully expenditures are accounted for under the city manager plan of government.

*

League Publication Reprinted in Japanese.—The publications of the League are finding a wider sphere of influence year by year. *Modern City Planning* by Thomas Adams has now been reprinted in Japanese by the Tokyo Institute for Municipal Research.

*

New Monograph on Public Borrowing.—Early this month the League will publish a monograph on *Public Borrowing* by Paul Studensky, lecturer on public finance at New York University. This monograph has a foreword by Professor E. R. A. Seligman of Columbia University. The book is a careful discussion of the history of public borrowing and a study of the trend of expenditures for permanent improvements in states and cities. After setting forth the principles which should be followed by a government in respect to the term of loans, the consolidation and budgeting of bond issues, and the necessary legal restrictions, Dr. Studensky's study ends with a new proposal in which he advocates that borrowing should be combined with taxation in the financing of permanent improvements.

This monograph may be obtained from the League office for $2 per copy.

*

Convention Publicity.—Up to March 1 we had received over 6,000 column inches of newspaper publicity on our convention held at Chicago last November. Since our press clipping services cover only part of the newspaper field, we may conclude that our last meeting received much greater attention in the press than any previous gathering. In addition to convention publicity, our press clippings contained over 4,000 column inches of general news items on the League's work during the past three months.

*

Princeton Establishes School of Public and International Affairs.—Princeton University has recently announced the establishment of a School of Public and International Affairs which will train young men for a career in the public service at home or abroad. H. W. Dodds, editor of the NATIONAL MUNICIPAL REVIEW, is chairman of the administrative committee which will direct the affairs of the new school.

RUSSELL FORBES, *Secretary.*

NATIONAL
MUNICIPAL REVIEW

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EDITORIAL COMMENT

The fundamental sanity of modern city planning legislation is again indicated by a fresh decision of the New York Court of Appeals. In *Village of Lynbrook* v. *Cadoo* (169 N. E. 394) the court sustained the provision of the village planning law, passed in 1926, governing the approval of plats, and ordered the county clerk to remove from record a map filed by a private subdivider without the approval of the village authorities. A full account of the opinion appears in this issue in Professor Tooke's department of *Judicial Decisions*.

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The municipality of Berlin is deriving a substantial income from its excellently managed agricultural undertakings, according to Dr. Josef Ehrler, writing in the *Annals of Collective Economy*. Last year's operation brought into the city treasury a clear 694,000 marks. Because of bad harvests, some farmers were granted permission to defer payments of rents amounting to an additional 205,000 marks. The municipality of Berlin owns about 75,000 acres of agricultural land, and is the largest landowner in Germany.

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Comparative Tax Rate Corrections

Our readers well know the dangers to which Mr. Rightor exposes himself in his annual report of municipal tax rates, particularly when he undertakes to adjust assessed valuations to true value. Notwithstanding the criticism which comes in each year from particular cities, we believe that the Rightor tables are the most accurate in the United States.

Mr. Rightor is always willing to acknowledge mistakes or recognize the other fellow's viewpoint. In a letter to the editor, published in the *Notes and Events* section of this issue, he takes up the various criticisms which have been received from cities that feel themselves to have been ill-treated in the comparative tables published in the December, 1929, REVIEW. If you are interested in the tax rates of Seattle, Oakland, Tacoma, Berkeley, Pittsburgh, Denver, Providence, or New Haven, turn to Mr. Rightor's letter on page 279.

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Dublin to Have a City Manager

The government of Dublin is to be handed back to the people, according to John J. Horgan of Cork, writing in *Notes and Events* department of this issue. The Greater Dublin Bill, which has just passed its second reading, provides a council-manager plan differing materially from the American standard form. The new city council will have twenty-five members, but the manager will be appointed by the local appointments commissioners, who are officers of the central government. Four seats on the council are reserved for "commercial members," who will be elected by partnerships, associations, and corporations within the city.

The newspapers report bitter party discussion over the Greater Dublin Bill. Although the city manager plan has been in operation in Cork for several months, it is still an experiment in Ireland, and has attracted opposition in the Dail. The Free State government has declared its determination to adhere to this feature of the bill, but certain features may be recast in the committee stage.

In Cork certain friction which has developed between the council and the manager has been used against the proposal to adopt a similar system in Dublin. However, there is strong sentiment for the return of self-government to the Dublin corporation under a municipal executive of the manager type.

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Whither Skyscraper Control?

Skyscrapers are still a debatable subject. The New York Regional Plan approves them if properly located; others oppose the suggestion that a skyscraper anywhere under any conditions is a good thing. But, the Regional Plan Report replies, bulk control—i.e., control of open spaces about skyscrapers—is more important than height per se. Let's have skyscrapers, but let's limit their number in a block so as to afford light and air on fair terms to all. Such control would be effected by restricting the cubic contents of buildings in relation to the space about them. Whether it would meet the approval of the courts as reasonable naturally remains to be determined.

One trouble with skyscrapers today is their gluttonous confiscation of sunshine and air at the expense of neighboring buildings. Any plan of limitation of their number would protect the few in the exercise of their monopolistic control of these amenities. It is doubtless contemplated, however, that this advantage would be neutralized by the onerous bulk restrictions which would be imposed under the plan of Thomas Adams.

Economic considerations also enter in. S. W. Straus & Co. of New York feel that high buildings in New York are commercially profitable; others feel that, outside New York particularly, the height of buildings has been overdone, and that many have been carried beyond a profitable point. No longer in New York does a high building possess much advertising value, except in occasional cases for brief periods of time. Undoubtedly, tall buildings in smaller cities are often uneconomical for the investor, not to mention the taxes which the public pays to support the services they require if their number is few and their locations are scattered.

Another suggestion for handling the skyscraper is to tax them on the light and air which they monopolize. This approach rests on the proposition that skyscrapers throw enormous burdens on public works. They bring congestion to our highways, they require expensive fire protection and water service, they aggravate transportation difficulties. Why not impose an additional tax on excessive bulk as a payment for the exceptional benefits which they receive?[1] The trouble with this is that large buildings probably more than pay their way so far as taxes and municipal government expenditures are concerned. Extraordinary taxes on them must be justified by some other theory than taxation for benefit.

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[1] The method of taxation proposed by Albert S. Bard, Esq., in the NATIONAL MUNICIPAL REVIEW for April, 1927, on page 234, under the title "Tall Taxes for Tall Buildings," was directed towards the control of the unsocial features of unregulated skyscraper construction. It did not rest upon the benefit theory of taxation.

Undoubtedly skyscrapers are robber barons; whether under the present state of the law they can best be controlled by special taxation or by extending the principles of zoning is a question of law as well as of administration. As far as the law is concerned it is not certain that either mode of attack would be acceptable to the courts until the menace of competition in skyscrapers is more generally understood and recognized.

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New Municipal Land Policies Needed "With a little thought it becomes evident that conscious city planning cannot be completely successful generation after generation except under a system of public ownership of land. The authority of eminent domain and of the police power has reduced private ownership almost to a position of leasehold subject to the public welfare, but with the inevitable right of exploiting land values remaining intact the processes and purposes of city planning are necessarily and severely limited."

The foregoing is a paragraph from a lecture recently delivered to the Harvard School of City Planning by Jacob L. Crane, Jr., of Chicago. Further excerpts are printed in this issue under the title, "A Message to City Planners."

Mr. Crane has opened a question which is beginning to bother a good many farsighted students of government. City planning naturally labors under handicaps which factory planning does not incur. As yet it does not represent planning by a single mind, but must depend upon the collective will of a large number of people. Now the execution of even the simplest plan affects economic interests. People who are making money from present city congestion will naturally oppose decentralization which most planners are trying to bring about. Some plans have been particularly tender of skyscrapers. By so doing they have allayed the fears of some of the economic interests, but they have not solved the problem of skyscrapers.

Without being condemned as single taxers, we may point out that there is truth in the assertion that under present conditions of land ownership, every far-reaching public improvement makes the next one just so much more difficult and costly. Neither special assessments, eminent domain nor excess condemnation have been capable of altering this fundamental situation. If time reveals that a long-term program of public improvements can be made to stick, that technological progress will not outrun our ability to map its course in advance with reasonable success, we shall have to reëxamine our municipal land policies with a very critical eye. Today emphasis is on planning, but tomorrow it will be the problems of execution which will bother us.

Even the moderate tools at hand are operated with most indifferent success. Special assessments are used for but few public improvements and their administration has often proved to be so inequitable as to throw doubt upon the value of the idea. The process of eminent domain is so cumbersome and expensive as to discourage its use until after all other efforts have failed. Indeed, charges are not lacking that today eminent domain is administered with an eye more to the profits of the owners than to the protection of the taxpayers. Excess condemnation was a device of much promise, but it is not widely employed, and no one knows whether its administration has been just or its results satisfactory. Its use as a means of recapturing some of the enhanced property valuations due to public improvements has been declared by a United States court to be violative of the fourteenth amendment.

Not that excess condemnation or special assessments should be utilized to throw the municipality into the speculative real estate market. We are not ready for this, if we ever shall be ready. But the time has come to begin planning a land policy which will be grounded upon a less sensitive regard for the so-called inherent right of private property in the unearned increment of city real estate.

*

Two Viewpoints on Administrative Organization In this number we present two contrasting viewpoints with respect to state administrative consolidation and centralization. Governor Roosevelt asserts that results in New York state have vindicated her new plan by which elective officers were reduced to four and the one hundred and twenty administrative agencies to an orderly arrangement under twenty departments. He cannot understand why the reform was delayed so long. But Mr. Walker of Ohio State University is not so sure. He doubts if the analogy of business organization holds for government, and questions whether the structure of the federal administration is a valid ideal for local government.

We agree with Mr. Walker that the time has come for a cool evaluation of the results of administrative consolidation. We also share Mr. Walker's doubts as to whether one can expect the governors of our larger states to be chief administrators in fact; perhaps a new office, that of chief administrator, is needed. Big business seems to be finding work for both the chairman of the board and the president, whose division of labors corresponds roughly to what Mr. Walker suggests for the governor and the chief administrator. But, admitting that effective popular control presents a problem in government which is, for the moment, arousing no corresponding interest in the business field, we do not believe that the principles of administrative organization and administrative control which have worked out satisfactorily in business cannot be applied to government.

The short-ballot doctrine proceeds on the assumption that a bureaucracy is more easily controlled than a congeries of unrelated departments, commissions, and boards. It perhaps remains for us to prove that bureaucracy can be maintained in a delicate adjustment to the popular will. England's bureaucracy is effective and admittedly as nonpolitical as any, but the Lord Chief Justice has recently published a book against growing administrative despotism in his country and charges of arrogation of power by administrative departments are now undergoing official investigation.

But whether the people can control bureaucracy or not, experience has demonstrated that they cannot control a government organized under a long ballot with scores of separate agencies not directly responsible to anyone.

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The billboard taxation measure which, as introduced, provided for an annual tax of five cents per square foot on billboards is meeting hard sledding in the New Jersey legislature.

HEADLINES

A STATE MANAGER will run the business of Kansas, if an act for the reorganization of the state administrative departments introduced into the 1930 special session of the legislature is adopted. The manager would be appointed by the executive council, and would take over all duties and powers imposed by statute upon the board of administration, the state business manager, the hotel commissioner, chief grain inspector, state fire marshall, state oil inspector, vehicle commissioner, state budget commissioner and state board of review.

* * *

How can we keep good government once we have it? This query is perennially popping up in manager cities. The most recent plaint comes from Sacramento, Calif. When government is good, citizens are satisfied to attend to their own business, taking its goodness for granted. This gives the rascals their opportunity. Cincinnati has written the most effective answer so far—continuing citizen organization, right down to wards and precincts.

* * *

Colorado voters will decide at the 1930 fall general election whether a constitutional convention shall be called. Various groups have long been interested in state administrative reorganization, now impossible because of constitutional provisions.

* * *

The county manager plan is recommended for Westchester County, New York, in a pamphlet just issued by the Westchester County Research Bureau. It is perhaps unfortunate that the Bureau recommended the establishment of a county administrative council between the manager and the board of supervisors. A needless complication—of which we have enough in this business!

* * *

Voters of Stanislaus County, Calif., decisively defeated on February 25 a proposed charter which would have substantially reorganized the administrative machinery. While the charter was progressive in proposing consolidation of a number of county offices, it did not go the whole way and provide for a county manager.

* * *

Larger and larger cities are beginning to cast sheep's eyes at the manager plan. Various Chicago groups are taking it up. The Philadelphia campaign was revived at the annual meeting of the Committee of Seventy on March 6. New York alone remains aloof and superior. As its debonair mayor remarked at a recent banquet, "Why should New York worry about adopting the city manager plan? Folks say the plan insures good government. New York's got good government!"

* * *

A modified county manager act applicable to densely populated counties only has been passed by the Virginia legislature. In addition, a commission has been appointed to study the problem of county government and recommend legislation at the 1932 session.

* * *

Death of Mayor Joseph C. Wilson of Rochester, N. Y., on March 5, created a unique situation in the city council, which has been deadlocked ever since its reorganization on January 2, with four Republican machine men on one side and four City Manager Leaguers on the other. The charter requires that vacancies by death shall be filled by appointment within one month by a majority vote of the remaining members of the council. Chances of agreement look slim. Another job for a good lawyer!

* * *

A modified city manager plan will be put before the voters of Houston, Texas, some time this year. After considerable study of the plan, an advisory committee of 48 citizens recommended a manager government, consisting of a full-time mayor, six part-time councilmen and a city manager.

* * *

Complete reorganization of the administration of the state government of New Jersey is recommended in a report on a survey conducted by the National Institute of Public Administration, made public on March 12. The work of 94 agencies will be consolidated into thirteen major departments if the recommendations are accepted.

* * *

A commission has been appointed by the governor of California to consider the advisability of a new constitution for that state. There is work cut out for somebody—the constitution of California bulks large with amendments to which special groups cling. Many a constitutional amendment which might better have been a statute has passed by referendum in California.

* * *

The following figures show the record of adoptions and rejections of the city manager plan by voters during the past three years:

	Adoptions	*Rejections*	*Total Cities Voting*
1929	19	24	43
1928	14	9	23
1927	13	13	26

The year 1929 is five jumps ahead of 1928 and six ahead of 1927 in the matter of adoptions. More significant than those figures, however, are the total numbers of cities voting, as indicative of the constantly growing interest in the plan.

* * *

Dissatisfied with the redistricting job of the city charter commission, nineteen Minneapolis aldermen themselves revised the political map so artistically that the new boundaries left each inside his own ward! Page Elbridge Gerry!

* * *

Altoona, Pa., is the first city in the United States to adopt for its employes an old-age retirement and benefit plan insured with an insurance company. An interesting feature of this program is that the contract with the insurance company eliminates any possibility that a new administration may cancel or reduce any pension already being paid, or alter any of the benefits purchased after adoption of the plan.

Howard P. Jones.

RESULTS IN NEW YORK STATE VINDICATE ADMINISTRATIVE REORGANIZATION

BY FRANKLIN D. ROOSEVELT

Governor of the State of New York

"*It seems hard to realize that reorganization was delayed so long,*" *writes Governor Roosevelt.* :: :: :: :: :: :: ::

The New York State administrative reorganization was accomplished in 1927 after over fifteen years of agitation and discussion. On January 1, 1927, the state departments were reduced to twenty; the elective officers were reduced to four, the governor, the lieutenant governor, the comptroller and attorney general; and a restriction was placed on the creation of any new departments. There are still several departments other than those presided over by the governor and the attorney general which are not wholly under the control of appointees of the governor, but generally speaking, a responsible government under the governor has been set up. When one considers the old government structure of one hundred and twenty different bureaus, boards and departments and compares it with the modern, orderly arrangement of eighteen well organized departments under the direction of the governor with two under separately elected officials, it seems hard to realize that reorganization was delayed so long. As carried out in practice, the soundness of the theory has been amply demonstrated.

In the fall of 1927, the voters adopted an executive budget amendment. The first executive budget was prepared under my supervision last year.

FOUR-YEAR TERM FOR GOVERNOR NOT YET ADOPTED

The third of the three main proposals for government reorganization, the one which provided for a four-year term for the governor and other elective officers, elections to be held in the even-number years between presidential elections, has not been adopted. A substitute amendment proposed by the Republican legislative leaders, setting up a four-year term with elections held at the same time as the presidential elections, was overwhelmingly defeated at the polls two years ago, the opposition being led by Governor Smith. Obviously the efficient functioning of the state machinery with a two-year term for the governor and department heads is a long way off.

All experts and students of this problem are in agreement that there should be at least a four-year term for the governor and his cabinet, and that the state election should be kept separate from the national election on the one hand and from local city elections on the other. Three years of actual experience with the reorganized government have amply demonstrated that the theory of a four-year term with separate elections is sound.

HOW TO MEASURE ECONOMIES

So far as administrative consolidation is concerned, it is safe to say that there is no reasonable person in the state today who would seriously suggest going back to the old condition of numerous scattered and irresponsible state agencies. The cabinet system with a limited number of departments has come to stay. It must be admitted that the economies claimed for consolidation of departments and the executive budget must be measured otherwise than by considering budget totals. The ultimate or true economies can, I believe, be proven. It is unfortunate that extreme enthusiasts for government reorganization promised actual reduction in the budget totals. Such reductions are not possible in a great state like New York with constantly increasing population and with growing demands for public improvement such as better roads, additional bridges and tunnels, more parks and parkways, better care for the wards of the state, improved educational facilities, and the numerous other welfare demands which arise in an enlightened community. It is safe to say that if it were not for the consolidation of state departments and for the executive budget, the great improvements to which the state of New York is committed could not be carried out economically or within a reasonable time, if indeed they could be undertaken at all.

The chief result of administrative reorganization has been that which was urged by advocates of reorganization for so many years as the principal argument for its adoption—centralization of executive and administrative responsibility. Fortified by the executive budget amendment and the recent decision of the Court of Appeals relative to that amendment,[1] the state structure is now, on the whole, one adapted to proper state administration.

RELATIONS WITH DEPARTMENT HEADS

The relationship between the head of each department and the activities under his supervision has been made intimate and direct. He has, generally speaking, the absolute control of his entire department. He has undisputed supervision and authority. His responsibility is, therefore, correspondingly undivided and unavoidable. He can no longer complain that functions which ought normally be under his control are beyond his reach. The duties and powers of the department are his personally; the accountability for their proper administration cannot be shifted elsewhere.

There has been an equal rapprochement between the chief executive and the department heads. With the exception of the quasi-judicial boards, the chief of each department holds his position at the pleasure of the governor. In this way administrative authority and responsibility have been tied right into the executive chamber. The theory of this centralization has been borne out in practice, not only in the formal cabinet meetings of the governor and the various administrative heads, but in almost daily reports and conferences between the governor and the various chiefs of departments.

ATTORNEY GENERAL STILL ELECTIVE

One of the features of the New York administrative reorganization which I do not recommend to other communities is the retention of the position of attorney general as a separate elective office. I believe that the attorney general should be appointed by the governor to be the adviser of the governor's cabinet and of all the administrative agencies. He should be picked for his standing and knowledge as a lawyer; he should be in sympathy with the administration under which he serves; he should not be a separate independent officer who may be hostile or indifferent to the program of the governor's departments; who may be of the opposite party from the governor, and who may himself be politically ambitious and therefore wholly out of step with the program of the state administration. The attorney general of the United States is appointed by the president. No one would think of having him appointed in any other way. The corporation counsel of practically every city is appointed by the mayor, and no one would think of electing him. I believe that the only elective state officer in the executive branch of the government outside of the governor and lieutenant governor should be the comptroller.

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[1] See Rinehart J. Swenson, *New York Court Sustains the Executive Budget*, NATIONAL MUNICIPAL REVIEW, February, 1930.

Generally speaking, I believe that the many prominent citizens of all parties who worked for the state reorganization in New York are well satisfied with the results, and I believe with their assistance the four-year term with independent elections will also be brought about.

A SUGGESTION TO IMPROVE THE MANAGER PLAN

BY W. EARL WELLER

Director, Bureau of Municipal Research, Rochester, N. Y.

A weakness of the manager plan is the frequent unwillingness of the council to allow the manager freedom to make good. Why not, therefore, provide an electoral college, independent of the council, to hire and fire managers? :: :: :: :: :: :: :: ::

For twenty-two years persons interested in better municipal government have been urging the council-manager plan on American cities. Of necessity their arguments during this period of trial and error have been based largely on theory. There is now available, however, a mass of experience and it seems that the proponents of the plan might leave their shopworn theories, their rather abject worship, and attempt an honest appraisal of the results to date. Such an appraisal would probably establish on tenable grounds the general excellence of the plan. It would also, in the opinion of the writer, uncover some basic faults that should be and can be eliminated. With considerable trepidation the writer, a sincere believer in "the plan," attempts, in the few paragraphs that follow, to indicate what he believes to be one fault that such an appraisal would disclose.

The council-manager plan differs from its principal rival, the council-mayor plan, in three particulars: (1) It concentrates power; (2) it fixes responsibility; and (3) it provides for the selection, rather than the election, of the chief executive. Most Americans, thinkers and non-thinkers alike, are rather willing to accept the second and third of these divergences from the older plan, but the first is subject to considerable question. This is not strange to those who have studied, even casually, the theories of government that, slowly developing during the later Colonial period, came into their own with the formulation of the federal constitution. At that time the theory of the separation of powers was universally accepted and it has come down to the present with a rich heritage of constructive thought and of successful application.

THE COUNCIL'S PART IN ADMINISTRATION

The council-manager plan places all power in the hands of the council. Occasionally council-manager charters contain an admonition to the council to keep its hands off the executive side of government. Such provisions are weak, almost laughable attempts to separate powers that have been thoroughly consolidated. Suppose, just to illustrate the ridiculousness of these charter admonitions, that a city council is satisfied with the work of the manager except in one particular, say the cleaning of the streets. The most insistent purist among the manager advocates would not question the right of the council to make this fact known to the manager. Nor would he question the wisdom of the manager in attempting to rectify the situation. Now suppose that the one particular that is displeasing to the council is the attitude of some one department head towards the public. Would a strict adherence to the ban on interference with the chief executive preclude the council from making this fact known to the manager? If the answer is "yes" the council must either tolerate the apple that it feels is a bit decayed or must get rid of the apple by cutting down the tree. This seems a bit drastic, so perhaps the council would be within its rights, legal and moral, in suggesting to the manager that a vacancy be created in that particular position. This is rather close to saying that the council has the right to do something that it has not the right to do. At any rate it shows the impossibility of consolidating and separating power at the same time, and means that it is necessary either to accept the council's complete control of both the legislative and the executive branches of the city government or to reject this control in favor of an open and honest separation of powers.

IS SEPARATION OF POWERS A MISTAKE?

Were the framers of the Federal Constitution entirely wrong in their efforts to separate the legislative power and the executive power? We start to answer and then there flashes through our mind the beautiful, well-polished analogy between council-manager government and private business corporations. The people are the stockholders, the council is the board of directors, and the city manager is the general manager. It is a beautiful concept, but turn it over a few times in your mind. As long as the general manager produces profits that enable the board of directors to declare dividends, no single director would dare and no board of directors would care to make a demand on or a change in the general manager. What profits can a city manager show to his board of directors? What item of self-interest will restrain his board of directors from firing him if his personal appearance offends the aesthetic sense of a bare majority of the council? The city manager may have paved more streets at lower cost than ever before, but the council may demand even more pavements and even lower costs. The city manager may have reduced the tax rate, but the council may feel that it is still too high. His achievements are on a comparative basis, not on a definite basis. He must depend on a glib tongue rather than on a convincing balance sheet to impress his value on his board. The analogy is not so good as we first believed.

WHY NOT A MUNICIPAL ELECTORAL COLLEGE?

Is there a way out of the difficulty? Can we retain the advantages of a selected chief executive, of definitely placed responsibility, and still give to the manager at least an outside chance of working out his destiny with a council that falls a bit short of the ideal in high-mindedness? Perhaps. Why not take a page from the constitution as it was originally accepted by the constitutional convention in Philadelphia? Why not separate the legislative power and the executive power, placing the selection of the chief executive in the hands of a miniature electoral college? Elect a board of nine electors for six-year, overlapping terms. Give to this board the absolute and sole right to hire and fire the city manager. Give the council the right to file charges of incompetence, or even of incompatibility, against the manager but leave the conduct of the hearing and the final decision with the board. Give the manager the right to maintain the *status quo* in municipal service by conferring on him the right to levy a tax for current expense that will, for instance, permit him to employ each year the same number of police at the same salaries as during the preceding year. Give the council the right to levy taxes for any extension or for any improvement of existing services or for the creation of new services. In other words, give the manager the chance to make good and the right to be tried before an impartial jury.

This change in the plan is suggested tremblingly, as has been stated, for the good of the cause. The writer feels rather strongly that the ultimate existence of the plan depends on finding some method of making the manager partially independent of the council. He is confident that the appraisal mentioned in the introductory paragraph will find more wrecks and near wrecks in the vicinity of this rock of "consolidated power" than in any other part of the troubled seas that city manager charters are asked to navigate.

MANAGER CITIES IN ACTION

III. A NEW BRAND OF CITY COUNCIL

BY ERNEST S. BRADFORD

How the operation of the manager plan reacts upon the caliber of the councils. :: :: :: :: :: :: :: :: :: ::

THE most striking feature of city councils observed under the manager form of government is their non-political character. While this feature is not present always to the same degree, the improvement in this respect is so marked in most cases as to warrant saying that it is the rule rather than the exception in manager-governed cities. To those who have sat in the smoke-filled chambers of councils under the old political mayor-council governments and have seen and heard the time-consuming speeches and the log-rolling, wire-pulling and jockeying for political advantage of those days, it is something of a shock to sit in council chambers where discussion is carried on in a businesslike way, the project under consideration being settled according to the facts at hand promptly and intelligently. These councils are usually small, their members give only part time, and meetings are held in the evening. In Petersburg (Virginia), in Grand Rapids and in other cities where I observed councils in action, I was told that the non-political factor has resulted in the election of councilmen of a higher type than formerly and in a longer tenure of office. I took some pains to check up on these statements and the results are interesting.

It was to be expected that business and professional men of character and standing in the community would be willing to become candidates for the council when all that is required to put their names on the ballot is a petition signed by a small number of voters. Under these conditions, it is comparatively easy to get on the ballot, and the candidate for council owes his nomination not to the party boss, but to those who sign his petition. The absence of party designations on the ballot reduces the power of the political organization to determine who the candidate shall be. The candidate, then, runs on his own individual merit instead of under the party label and with its political backing. The citizen who is too independent to be willing to dicker with the organization before election or to take orders from the party boss afterward may be glad to run for councilman when the contest is based on the standing of each candidate, and when he knows that if elected, he will be free to exercise his best business judgment on behalf of the city. In Dayton, Springfield, Norfolk, Staunton, and a host of other cities, men of intelligence and ability have been persuaded to run for the council, and have been elected. On this point the evidence is very clear.

DAYTON AND SPRINGFIELD

In Dayton, Ohio, for example, the caliber of the men who have been elected to the council (commission) since 1914 was shown by examination of their names and occupations, confirmed afterward by conversation with leading citizens:

LIST OF COUNCILMEN (COMMISSIONERS), DAYTON, OHIO, 1914–1928

Occupation	*Names*
Auto dealer and accessory merchant	C. W. Shroyer
Member of charter commission, labor representative, painter	A. I. Mendenhall
Manufacturer of railway jacks	J. M. Switzer
Insurance	John R. Flotron
Promoter—hotel company	John A. McGee
Brick contractor	Henry Hiddesen
Manufacturer of toys	Louis Wright
Lawyer, secretary of building and loan association and former mayor	Allen McDonald
Secretary of building and loan association	George W. Bish
Civil engineer, assistant head of Miami Conservancy District	Charles H. Paul
Retired retail grocer	F. B. Hale
Dentist	Dr. O. B. Kneisly
Secretary of pump manufacturing concern	D. L. Stanze

In Springfield, Ohio, the list of those who have been councilmen since 1914 is as follows:

Occupation	*Names*
Treasurer—American Seeding Machine Co.	B. J. Westcott
Superintendent of printing company	A. L. Beaupain
Head of gas engine company	D. J. Shouvlin
Water turbine manufacturer	J. J. Hoppes
Dentist	Dr. John E. Furry
Attorney	E. S. Houck
Labor representative (sign painter and decorator)	J. D. Frock
Labor representative, solicitor for the *News*	H. M. Hill
Manufacturer of piano plates	Mr. Metcalf
Manufacturer of mowers	Wallace Thomas
Manufacturer	Carlton K. Biser
Paper box manufacturer	C. H. Rhoades

Transfer and storage co.	Harold Hodge
Grocer	Albert Eglinger
General business	C. F. McGilvary

It is quite true that not all councilmen must be or should be manufacturers or merchants or lawyers in order to have a strong council, but they ought to be men of character and capacity whose knowledge of the needs of the city is broad enough and their common sense sufficient to act intelligently in behalf of the public welfare. If they possess these qualifications, the more varied their walks of life the more widely representative of the community the council is likely to be.

COUNCILMEN REMAIN IN OFFICE LONGER

The provisions of charters which require election by the whole body of voters rather than by wards, and which abolish party nominations and party designations on primary and election ballots, seem to be the elements which have produced this improved type of councilman, and he in turn is responsible for the better planning for his city's future and for the selection of the better trained and more substantial chief executive known as the city manager.

It is also true that these new and broader-caliber councilmen tend to remain in office longer than formerly. This seems to be due partly to the greater confidence which they have been able to command from the voting public, resulting in fewer contests for councilmen's seats, and partly to their own willingness to serve for more than one term.

In Staunton, one of the members of the 1908 council which adopted the first manager charter was still a member of the council in 1928. He had served the city for twenty years in this capacity. Another member, who served on the special committee of the council which brought in the report favoring a city manager, had served fourteen years. Another councilman (in 1928) had served nine years, another five years and the fifth, eight years. This is a record equalled in few mayor-council cities. Other municipalities under the nonpartisan council-manager plan show similar results.

In Dayton, for example, in the fifteen years elapsing between January 1, 1914, and January 1, 1929, there were thirteen councilmen elected (councilmen are known in Dayton as commissioners), several of whom served for eight years.

In Springfield, Ohio, inspection of the names of the councilmen elected since January 1, 1914, (for Springfield started its manager plan on the same date as Dayton) shows only fifteen members elected in fifteen years. The average term of service has been for five years. Several councilmen have served eight years and some six, and some seven years.

In a dozen other cities, similar long terms have occurred, in some cases less striking and, again, of very long continuance. The slow and patient collection of these data is proceeding but the aggregate trend already is manifest.

The net result of these extended terms of service has been to provide the city with councilmen whose experience is more comprehensive than it would be under the frequently changing terms of the older forms of city government. Acquaintance with the needs of the city, its different sections and its various activities, comes with time and knowledge of the problems involved, and from the evidence at hand it seems certain that a considerable share of the good results secured under the manager scheme is due to the better type of councilman elected and the longer terms of service. And these in turn are due to the non-political character of the elections and the fact that councilmen are selected not by wards but by the city as a whole.

The character of the first council selected usually settles the question whether the old political organizations are to dominate the new government. When the nomination of the first lot of non-political councilmen is effected by a group or groups of independent business men, taxpayers' committees or a charter league, a precedent is established which helps maintain quality.

A MESSAGE TO CITY PLANNERS[1]

BY JACOB L. CRANE, JR.
Town Planner, Chicago

Are we on the right track in city planning?

THE mind of the professional student in city planning is likely to be encumbered with images and forms drawn from earlier and now perhaps out-of-date city building. Our land planning is a curious mixture of early land surveying, Haussmann's Paris, the romantic English landscape, and the traffic-relief street. Our imaginations are full of LeNotre and Repton, and we are only slowly accepting the wide connotations of the modern machine-age trend as it may affect city building—as it actually is affecting city building whether we are planning for it or not.

We professionals are likely to fall short of being modern in our planning because we have difficulty in being modern ourselves. Many of us have an instinctive aversion for the industrial city with its make-money ideal and its hurry, noise, dirt, and confusion. A colleague during a heart-to-heart talk began, "We city planners and the others who hate cities . . ." therein fully stating this point. Our planning attempts to recapture what seems now to have been the beauty and dignity of cities in the time before Stevenson's steam engine started changing the world. Tradition and education have reinforced this anachronistic position of the planners. Concord and Williamsburg, for the small towns, radial boulevards and axial public buildings for civic centers, and the "naturalistic" style for land subdivision have produced much good and some distinguished and lovely work, but they are not in my mind a direct and logical expression of our American life just now emerging. And in fact I believe they have obstructed the development of new styles which are inherent in machine-age life and which will force their way through whether we like them or not.

OBSOLESCENCE IN PLANNING

Among my skepticisms is one most damaging to my confidence in city planning. It seems at least doubtful that we can now prepare city plans which will remain valid long enough for them even to be carried out. And there are many embarrassing examples of unavoidable errors in making what seemed to be far-sighted plans for city growth, such as the famous cross-town street system on Manhattan Island.

How can we feel assured that even the most carefully thought-out plan will not in twenty-five years be found absurdly inadequate or (still more unsettling) absurdly grandiose in the light of possibilities for human circulation even now conceivable? It is imaginable that in a relatively brief time the citizens of a completely decentralized Chicago regional city will visit the magnificent lake-front park development, and amusedly comment that the people who formerly lived in the crowded apartment city must have in those old days greatly enjoyed the beaches and lagoons. This thought leads me to emphasize in my work the common sense of the control and guidance features of city planning rather than over-expensive reconstruction projects.

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[1] Excerpt from a lecture at the Harvard School of City Planning, January 6, 1930.

Now these ideas, as with all the other suggestions, I do not set up as dogmatic rules of city planning. The whole art is developing and finding itself, and that is one of the most fascinating things about it. So do not believe me; doubt all that I say, and work it out for yourselves.

The other day I drove along the old Illinois-Michigan barge canal, built only about sixty years ago, at a cost proportionately as large as our contemporary highway systems, and expected to serve for a great artery of commerce. It now winds gracefully and placidly between trim, willow-lined banks, beautiful, unused, forlorn. Again, the country is full of abandoned interurban and city street-car lines. In the face of this and much other testimony how can we anticipate less startling changes in the future? I cannot feel badly when some salty-minded alderman seems skeptical about proposals based on any idea of permanence in present modes of transport.

PLANNING AIRPORTS

This leads me to the exciting topic of air travel. Lives there a man with soul so dead that he has not enthusiastically supported the idea of more and more one-hundred-and-sixty-acre airports? Probably not. And I believe they will all be needed as air transit centers—the terminals, classification yards, shops, and training schools. But I feel confident that there will soon be developed the small air-machine which can land and take off with safety in a space of one or two city blocks. In anticipation of this event, we are now in our city plans selecting sites not only for the large outside airports, but also for numerous fairly close-in small fields, preferably with water-basins alongside. I believe we may expect these small fields to be spaced eventually in somewhat the same way that we space grade schools—within walking distance of every part of town. It seems to me a modest expectation.

TENDENCIES IN ZONING

Let me venture to speak of a few of the other phases in which our planning practice tends to change. There are two marked tendencies in zoning: first, the greater and greater refinement of zoning regulations within city areas, establishing more specific and in some cases more severe requirements for lot sizes, variations in building lines from block to block, or even within blocks, and for private parking and play space; and, conversely, the application of broader, more general zoning over much larger areas through county or regional authorities. As I see the rigid classification and segregation of industrial, business, and residential districts tend to break down in some cities under the pressure of changing conditions, I have been fascinated by the idea that zoning might take the form of area regulations only, dividing a city up into districts where any use might be placed so long as it conformed to the set-back, lot size, and yard requirements. In a Class A residential district, for example, a light industry might be located so long as it occupied not more than five per cent or one per cent of the lot area and provided yards on all sides at least twenty times or fifty times as great as those required for residential buildings.

Most factories, particularly the heavy ones, will without zoning locate near the railroads, but some lighter, electric-powered works might well be placed in the neighborhood of their own operatives. Plainly we are working counter to one phase of city planning theory when we confine all industrial working places to areas most remote from residence, so that transportation becomes more and more difficult, irksome, and expensive. The same is true of at least the central business districts. Decentralization and the industrial garden city are of course aimed at this difficulty, but they may not offer an adequate solution.

NEEDED REGULATION OF LAND SUBDIVISIONS

The control of land subdivision is for most American cities one of the urgent and one of the most valuable phases of a city planning program, and this control has tended to become more and more specific. However, its full purpose cannot be realized until four new elements are introduced. First, subdividing and selling land by "metes and bounds" as a means of avoiding platting regulations must be prohibited, and this requires new statutory power. Second, the subdivision and marketing of land should be restricted, in location and in amount, in a definite relation to the requirements of the community or district. This again requires an extension of legal authority. Third, the design of all subdivisions should, I believe, be made by the city or county, as the case may be. Only in this way can the requirements both of the subdivider and of the planned development be adequately met. At present the realtor, the surveyor, the engineer, and the city are all put to great inconvenience by the roundabout process of submission and revision of tentative designs. Fourth, there should lie in the planning authority power to specify and require the imposition of restrictions upon the subdivision. This is particularly important for plats lying outside of corporate zoned areas, where the actual use of the property can be controlled only by these private restrictions.

TENDENCIES IN STREET DEVELOPMENT

In street development two interesting tendencies are just now making themselves felt. First is the construction of highway grade separations at over-congested highway intersections, and the reservation in subdivision platting of sufficient ground at such intersections to make the grade separation feasible in the future. Second, the use of stream beds for parkways of various types is taking hold of the public imagination. They provide streets in a beautiful setting, often where it is most economical to build them, and they make a great saving of funds which would otherwise have to be devoted to the construction of storm sewers. There are many variations of parkway design, not the least interesting of which is the simple public reservation of these water courses or ravines between what would be called the rear of lots, in which no roads are built, the ground being used only for safe, beautiful play-space and for storm water run-off.

DOUBLE-DECK STREETS

The double-deck street is an acknowledgment of failure in sensible city building. Nevertheless, if the concentration of business and the construction of skyscrapers in the downtown districts of our big cities continue, I see no other alternative than double-deck or triple-deck streets with overhead pedestrian ways. There is plainly great advantage in the concentration of office business within a small area and there is also the pressure of investment and speculation in land and buildings. If our big cities do not definitely begin to break up within the next twenty-five years, I look to see the classification and segregation of various types of business within these central districts, and the triple-deck streets serving them.

The tendency, already well started, for each business group to localize itself and the possibility of definitely planning this segregation should be recognized. We might have the real estate group and the law group closest to the buildings housing municipal and county officers, the courts and the public records; and ranging around from them the offices of manufacturers' agents and administrative heads, the advertising, the accounting, and the commercial artists, the banking and investment group, the theaters, the medical and dental center, printing and publishing, the building industry close to the real estate men, the clubs, hotels, furniture, and insurance people, retail business, automobiles, aviation, and wholesale. It is not difficult to arrange a design for this grouping, and, having done so, the advantage of keeping them close together seems to be even more obvious. In the way that our city business is now done it will be most convenient, even though in the abstract insane, to build fifty stories high and provide transit subways, haulage streets, passenger auto streets, and pedestrian ways at three or four different levels. It is, I feel, a frantic dance of death but I suspect that it must be danced out.

THE EXAMPLE OF RADBURN

In residential land planning the principles underlying Radburn admirably illustrate the new tendencies—namely, long uninterrupted blocks on traffic arteries with intersection grade-separations, individual or group houses or apartments on secluded cul-de-sac streets, interior playgrounds and parks, and school sites accessible to a large enough area without the necessity of crossing through traffic at any point. Radburn is experimental and not entirely successful, but it is a pioneer operation destined, I believe, to influence greatly American residential planning.

SITES FOR PARKS AND SCHOOLS

In making plans for the future park system of a town there is some advantage in abandoning the attitude of moderation and, instead, suggesting as "suitable park land" all the property which may come within that classification, even though it far exceeds a standard ratio to the prospective population. It is nearly impossible to foresee just which or how much park acreage will capture the public imagination and be acquired. Further, in many towns the wealthy men are going in heavily for park land gifts, and also many new agencies are being created, such as county park boards and state park commissions. If any one thing is needed in the contemporary American industrial city it is an enormously greater amount of green open space, and while the standard of one acre of park per 100 population seems to be high now for many cities, it will, I hope, be considered an absurdly small figure in a few years. The approximate location of future school sites on the city plan and the stimulation of school boards to acquire them are good means of getting support for the unique advantages of city planning.

For a few years much was said about the desirability of requiring each subdivider to dedicate five per cent or ten per cent of his subdivision for park or playground or school-site purposes. I feel that this has not worked out satisfactorily. These sites should be located and arranged in a rational, planned manner, and isolated plots of sometimes even one acre or less are of small usefulness. Conversely, it is not usually feasible to require a subdivider to dedicate five acres or twenty-five acres to public use. As an alternative, we are now requiring the subdivider either to dedicate or to reserve, for a period of not less than one year after notice to the proper authority, such land as the plan indicates for park, playground, or school-site purposes. This arrangement gives the school board, the park board, or the city an opportunity to acquire or contract for the land before it is actually subdivided, and it gives the subdivider the assurance that he will not be indefinitely held up for any part of his project.

CIVIC CENTERS

It is to the customary plans for civic centers that I make most violent objection on the ground that they are set up on European models. They tend to be classic, symmetrical, static, and as such fail as expressions of American civic life. An articulate, functional, asymmetrical ground plan and a bold design of each feature, not necessarily pretentious or costly, will be more appropriate.

We are making only elementary city plans. The adjustment of these plans to changing conditions and particularly to their more closely detailed design as each feature comes up for construction involves ten times the labor of the original skeleton plan and extends over an indefinite period. After the basic elementary plans for all our towns are finished, which may require only a comparatively few years, the great bulk of the work by the planners has still to be done.

NEW SOUTH DAKOTA PRIMARY LAW APPLIES SHORT BALLOT DOCTRINE

BY CLARENCE A. BERDAHL

Associate Professor of Political Science, University of Illinois

The Richards Primary Law, which provided pre-primary conventions to name majority and minority candidates for nomination, has been repealed. Its successor, the Slocum Law, retains the direct primary for policy-determining officers, and delegates the nomination of others to party conventions. :: :: :: :: :: :: :: ::

THE state of South Dakota continues to live up to its reputation as a laboratory for experiments in popular government, and more particularly in the field of primary legislation. The so-called Richards Law of that state, with its unique system of pre-primary proposal conventions and other novel features, was kept on the statute books only after considerable agitation, numerous legislative and political battles, and some experimentation with other types of primaries.[1] Although commonly denounced as a freakish and unworkable law, its prime principle of legally recognized and more responsible party organizations has been widely accepted by students of government and even by politicians, and some of its features have been in effect written into the primary laws of other states. Subjected to almost continuous legislative assault and amendment,[2] the essential features of the Richards Law remained intact during a period of more than ten years and were operative during six primary campaigns (1913–1914, 1919–1928). The South Dakota voters seemed satisfied with the measure, whatever the politicians might think,[3] and Mr. Richards himself appeared to have assessed the situation correctly when he boasted, in 1927: "It matters not what is proposed to be done to further cripple the primary law by its enemies. . . . The primary law will live when its enemies are dead and gone."[4]

RICHARDS LAW REPEALED

The agitation against the Richards Law continued, however, and the dissatisfaction, particularly of those active in the party organizations, increased to such an extent that the dominant party (the Republican) declared against it in its platform of 1928, and in 1929 Governor Bulow (a Democrat) urged upon the legislature its repeal. "Our present primary law," he said, "is cumbersome and expensive in operation and usually results in the nomination of party candidates being made by a small minority of the voters. I recommend such changes in the law as will simplify its operation, reduce the expense of the primary, and secure to the voters a larger participation in the choice of their party candidates."[1] Acting in accordance with that recommendation, the South Dakota legislature, at its last session (1929), finally repealed the Richards Law in its entirety, and efforts to invoke the referendum on that repeal proved unsuccessful.

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[1] For the legislative history of the Richards Law and a summary of its earlier provisions, see an article by the writer in *Am. Pol. Sci. Rev.*, XIV, 93–105 (Feb., 1920); its practical operation is discussed in a second article in *Ann. Am. Acad.*, CVI, 158–171 (Mar., 1923).

[2] Unsuccessful efforts were made to repeal the Richards Law in 1913 and 1920; several of the novel features were repealed in 1921; other changes, chiefly with respect to registration of party voters and dates of conventions and primaries, were made in 1923, 1925, and 1927.

[3] The law was expressly sustained by the people at five referenda elections—in 1912, 1914, 1918, 1920, 1924.

[4] Statement in *Sioux Falls (S. D.) Argus-Leader*, Feb. 1, 1927.

The Richards primary is, therefore, no more. Its provisions were so different from those of the usual type of primary law, its operation was so unique and certainly so interesting an experiment in popular government, and its underlying theories were probably so sound, that students of government may well regret its passing without further trial. Such regrets are, however, somewhat tempered by the character of its substitute. The Slocum Law,[2] as the new primary law of South Dakota is called, is not at all a return to the more orthodox type of primary, but represents a still further experiment in this field of government. It embodies the short-ballot principle, at least to a degree, and for that reason alone ought to be of peculiar interest.

DIRECT PRIMARY RETAINED FOR POLICY OFFICES

In brief, this law provides for a combination of the primary and convention systems. The direct primary is retained, but only for the nomination of United States senator, representative in congress, governor, members of the legislature, and county offices; and for the election of state and precinct committeemen, and delegates to state and national conventions. All other elective state officers—lieutenant governor, attorney general, secretary of state, auditor, treasurer, superintendent of public instruction, commissioner of school and public lands, railroad commissioner—and presidential electors, are to be nominated by a state convention, held some time after the primary. This state convention also elects a party state chairman and the members of the national committee, and adopts the party platform.

Judges have for some time been nominated at separate nonpartisan primaries, and the present law makes no change in respect to them.

Clearly this system embodies the principles of the short ballot, in that fewer offices are made subject to popular nomination, and it is, on the whole, the policy-determining officers that are so nominated, while the merely administrative and less conspicuous offices are left to the deliberations of a convention. No doubt criticism may be made of the immediate application of these principles. Certainly not many of the county offices are either conspicuous or policy-determining, and there is grave doubt as to the wisdom of nominating by primary such officers as the county treasurer, surveyor, or coroner. There may also be those who would consider the attorney general as coming within the criteria for popular rather than convention selection. However that may be, the fact remains that there is here, for almost the first time, an effort to apply these important short-ballot principles to the primary.[3]

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[1] Inaugural Message of Governor Bulow, in *Sioux Falls Argus-Leader*, Jan. 8, 1929.

[2] *S. D. Session Laws, 1929*, ch. 118.

[3] The Tennessee primary law, adopted in 1917, provides for the nomination at primaries of United States senator, congressmen, governor, railroad commissioners, and members of the general assembly. It may also, therefore, be characterized as a short-ballot primary. *Shannon's Annotated Code of Tenn.*, vol. 5, p. 6526 (sec. 1377a28bl); see also digest in Merriam & Overacker, *Primary Elections*, p. 397. It may also be noted that the South Dakota legislature,

OTHER FEATURES ARE ORTHODOX

In other respects the Slocum Law is quite like the more usual type of primary law. The scheme of party organization is perfectly orthodox; there is a requirement for party registration or enrollment; the conventions are based upon the principle of unit representation, and are thus fairly representative of the party voters; candidates get their names on the primary ballot by the usual process of petition and declaration; the conventions and primaries are subjected to the customary regulations and legal safeguards. A mere plurality is required for the nomination of county and legislative officers, but for the others a minimum of 35 per cent, with the provision that in case of failure to obtain such minimum at the primary the nomination is to be made by the convention, the Iowa plan being followed to that extent. Convention nominations are in every case to be made by a majority vote.

The act so described was not passed without a struggle. A very few in the South Dakota legislature would have preferred a complete abandonment of the primary and the restoration of the convention system throughout; others desired a return to the more orthodox type of primary; while a number defended the Richards Law and opposed its repeal. A bill was, in fact, introduced and pressed for the modification of the Richards primary, but without changing its essential character,[1] which its author claimed might actually have passed had not the legislative leaders already been committed to the Slocum bill. The principal objections to the new measure, aside from any feeling for the Richards Law, seem to be, first, the possibility, in view of the plurality requirement and a probable multiplicity of candidates for local office, of the party nominees being selected by a very small minority of the voters; and, second, the possibility, in view of the minimum requirement for state office, that the state convention may actually select most, if not all, of the party nominees for such state offices. Whether these objections will prove more apt in the case of South Dakota than in other states that have long had such requirements, will be for the future to determine. It is also charged against the new South Dakota law, however, that it was "really framed by some of the politicians antagonistic to the primary method of making nominations," and does not therefore represent a genuine effort at popular control of the nominating process.

RESULTS?

On the other hand, the South Dakota press seems to welcome the Slocum Law as a restoration of power to the people. The leading newspaper of the state probably reflected that press opinion when it said editorially: "The boss politicians lost and the people won when they (the legislature) passed the Slocum direct primary bill. . . . The bill as passed by the legislature is not a perfect one. We have heard of no primary that is. But it does eliminate the greatest iniquities of the old system. Aided by a mass of red tape, boss politicians have been able to control primaries with little difficulty. Under the Slocum bill, they will find thorns instead of roses along their pathways."[2]

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in an effort to repeal the Richards Law in 1920, offered as a substitute a measure similar to the present Slocum Law. That proposal was rejected at the following referendum. *S. D. Session Laws, Special Session, 1920*, ch. 78.

[1] S. B. No. 45, 21st Session, Legislative Assembly of S. D. (1929), introduced by Senator W. C. Nisbet, of Minnehaha County.

[2] *Sioux Falls* (*S. D.*) *Argus-Leader*, Feb. 20, 1929.

The writer is convinced, from his own studies and observations of South Dakota politics over a period of years, that the "boss politicians" were most of all anxious to get rid of the Richards Law, under which they found it particularly difficult to exercise any certain control. In order to accomplish the repeal of that measure, it became necessary to offer something in its place that would appeal to the various groups in the state, and the South Dakota voters seem fascinated with something that is unusual. It may therefore be doubted whether those responsible for the new primary law deliberately conceived of it as applying the principles of the short ballot, but it may well be that they builded better than they knew.

THE FIGHT FOR REFORM IN ROCKLAND COUNTY

BY PERLEY MORSE

How one of those counties of New York which have made "less improvement in governmental matters than any other political agency" turned over a new leaf. :: :: :: :: :: :: :: ::

When Governor Franklin D. Roosevelt made a Fourth of July speech last year in Spring Valley, Rockland County, New York, he stated to the large assembly gathered to greet him that the counties are governed under the same form, the same offices, and the same business methods as were established by the Duke of York in 1688.

"Many things have improved since then," said he, "but local government has not."

Mr. Roosevelt, in that speech, set forth some of his well-known schemes for reform in county government. "The overwhelming majority of expenditures which are of fundamental importance to us individually," he said, "are made right back at home. But there has been less progress in improving local government than in any other agency of government."

Governor Roosevelt consented to accept the invitation to speak to Rockland County voters because he was well informed that among the numerous counties of New York which sorely needed reform, Rockland was one of the worst offenders in still adhering to the ancient formulas and methods of local government inimical to its progress and costly to its citizens.

For nearly a quarter of a century, Rockland County had been largely in the grip of a political self-perpetuating machine. Its officials had refused to adopt modern methods and newer formulas for county administration and had persisted, year after year, in ignoring the criticisms and recommendations of the comptroller of the state, set forth in his occasional examinations and audits of the fiscal and administrative affairs of the county.

Year after year—in some instances covering a period of twenty years—the same officials were returned to office, and the same appointees to non-elective county offices were automatically kept in power by the board of supervisors.

Undeniably the county was in the grip of a political boss whose word was final in the selection of candidates for office on the so-called Republican county ticket, which was really bipartisan in nature; and his will prevailed in the selection of minor county officers.

Around this central political power was gathered a coterie of "yes men" who ate at the public crib. They handed out patronage to their minions and created a network of political espionage and control which enabled them to hold the electorate by the throat.

As a result, the minor political party in the county acknowledged that it was unable to secure either patronage or township improvements without trading with the party in power. The so-called Republican party was permeated by Democrats, some of whom even changed their politics to run under the Republican banner.

About twenty years ago Rockland passed through an upheaval which resulted in several of its high officials being sent to jail. The party that succeeded to power had before it the lesson of its predecessor and did not propose to taint itself with gross corruption. It therefore centered its ambition on building up its party machine by grabbing all the county patronage in sight.

In 1912, the comptroller of the state found that the conduct of fiscal affairs in Rockland County had hardly changed since 1904–05, except that no charges of corruption prevailed. Very drastic criticisms were made by the comptroller and very definite constructive reforms were urged.

But, secure in their own power and blind to the current of criticism from the taxpayers, the county officials ignored the comptroller's accusations and constructive recommendations, and continued their wasteful course.

Gradually the character of the population in Rockland County shifted. Since it is adjacent to the New York metropolitan zone, a suburban population crept in while the farming population of the county decreased rapidly. So glaring and continuous were the offenses against good government that, under the leadership of the new suburban residents, there gradually developed a number of taxpayers' associations which took up the cudgels of reform. These associations, however, were supposedly nonpartisan bodies and under their charters were not able to do much openly by direct action. None of them were as powerful or as effective as the ancient Rockland County Taxpayers' Association, which had, between 1905 and 1909, brought about the downfall of the corrupt officials after a long and strenuous fight.

Another condition which increased the difficulty of concerted action was the fact that nearly all of the newspapers were "hog-tied" to the political ring in control. It was almost impossible to secure any expression in their columns which reflected the slightest criticism upon the officeholders of the county. With one or two exceptions the voluminous examinations and reports on the fiscal affairs of the townships and the county, made by the state comptroller's examiners, were never mentioned in the county newspapers, which were receiving advertising, legal and other, from the public officials belonging to the ring. It did not matter whether the county newspapers were Republican or Democratic, a condition of timidity prevailed.

The public did not know what was going on at the county seat. The annual reports of the proceedings of the board of supervisors, including the reports of the county officials, were not published until six or eight months after the end of the fiscal year. These annual reports were worthless to the taxpayer, being for the most part incomprehensible and often incorrect.

In other words, the whole county was in a fog as to its public affairs. Year by year the taxes increased and year by year the salaries of the county officers were increased by the board of supervisors to an extent entirely out of proportion to the size of the county and in comparison with salaries paid by adjacent counties.

But within the past year and a half several factors have come to the fore to arouse the people of the county to a demand for a new deal in county government. One of these was Governor Roosevelt's tour through the state to advocate reform in county government. He pointed out methods and means for reform.

Another factor was the prospective bridge across the Hudson River which was to be finished in 1931 or 1932 and would open the line of traffic from metropolitan New York to Rockland County. The progressive real estate men and newer citizens of the county were awakened to the possibilities of increased values and population that this project would stimulate.

A third factor that aroused the people of Rockland was the adoption by the board of supervisors, in 1926 or thereabouts, of a building program for the county which would eventually involve the taxpayers in a commitment of two million dollars or more. Little was known about this proposal to build a new courthouse and jail until it was a closed book as far as the taxpayers were concerned. The board of supervisors decided not to put the matter to a referendum by the electorate. Under the county law they felt that they were able to do almost anything they pleased, provided the new buildings were erected on a site not more than one mile from the old county seat.

Another element that entered into the reform movement was the humble part played by the writer in aiding a small weekly publication called *The Rockland County Taxpayer*, published for the purpose of disclosing hitherto unknown details of the courthouse and jail building program and the methods involved. The paper published the reports of the comptroller of the state on the fiscal affairs of the county and townships, which had been persistently ignored by the county press.

One of the leading taxpayers' associations of the county, taking cognizance of the comptroller's reports, asked the board of supervisors to explain their derelictions, so called by the comptroller's examiners, and to explain the charges of improper, illegal, and defective practices. The taxpayers' association was given no satisfaction by the board except to name a date, entirely inconvenient to the taxpayers, when they could "come and see for themselves." I myself, as a considerable taxpayer in Rockland County, made a similar demand. Like the taxpayers' association, I was invited to come and see for myself. This was the attitude of the "gang" of self-perpetuating officers who held the county in their grip.

I then placed the entire case before the governor of the state—recapitulating the entire situation, enclosing exhibits of letters exchanged, and resolutions passed—and requested that a commission or some other body or individual, as the governor might select, be appointed to examine the conduct of government in Rockland County. My request was based upon the statements of the comptroller's examiners that many accounts were impossible of intelligent audit and that amounts approximating $100,000 had been improperly paid during the fiscal year examined.

Coincidentally, the chairman of the executive committee of the leading taxpayers' association of the county made a similar appeal in the name of the association. All these matters were set forth at full length in the weekly publication and resulted in direct political action.

The fear that had so long engulfed the little taxpayer of Rockland County was lifted by this boldness. Although the governor did nothing, the people were thoroughly aroused and the so-called Republican ring was smashed on November 5 at the polls when the majority in the board of supervisors was changed from Republican to Democratic, and a Democratic assemblyman was elected for the first time in many years. Other minor county officers of the ring were defeated.

The new régime in its platform set forth constructive programs based upon Governor Roosevelt's scheme of reform in county government, specifying local reforms and progressive movements in town and county matters. They took up the reform policy advocated by *The Taxpayer* for economy and efficiency in the government, for taxes to be collected by the county treasurer, for legislation to prevent future bond issues without a referendum of the electorate, for correct, lucid, orderly, comprehensive and expeditious publication of the proceedings of the board of supervisors, for cessation of all acts branded by the comptroller as illegal, for standardization of county accounts and the budget system as set up by the comptroller, for the appointment of a county auditor, for live and representative party organizations working for the good of the county instead of the interests of the officeholders, for an alert county press uninfluenced by the powers-that-be or official patronage, for planning and zoning to operate in the interest of the taxpayers instead of the favored few, for progressive school boards, for the development of the county into an ideal homeland with equal justice and rights for all and with special favors to none.

Thus the first and most important step has been made in the campaign for reform in county government in Rockland County. An almost complete political turnover has been brought about by the agitation of the taxpayers of the county irrespective of party alliance. Practically an entire new régime has come into power pledged to economy and efficiency in county government.

What has been accomplished in Rockland County can be accomplished in every backward county in the state of New York by a vigorous and patriotic campaign by taxpayers, utilizing the great library of reports that lie dormant in the office of the comptroller of the state but are seldom if ever referred to in the newspapers of the counties which they affect.

AN INTERVIEW WITH THE CHIEF OF POLICE OF ROCHESTER, N. Y.

BY ALFRED GATES

Rochester Bureau of Municipal Research

What has been accomplished by the Rochester police department sounds deceptively easy as Chief Kavanaugh relates it. Sound judgment, perseverance and energy united with science and high ideals to get results.

"THE old days of knock 'em down, drag 'em in and shake 'em down, are gone forever. Police work has taken on a broader and more scientific aspect than citizens realize, and it is only through the application of these new principles that police work can accomplish satisfactory results in an age when man demands the exactitudes of science as a basis for truth rather than opinions carelessly arrived at."

With such an introduction Chief Kavanaugh, Rochester's young-in-age but old-in-service chief, introduced the writer to the inner functioning of his police organization.

Chief Kavanaugh came up through the ranks. He is forty-six years of age and is entitled to a pension in June of this year after twenty years of loyal and efficient service. By those who know Andy, what he has accomplished, and what we know he will accomplish if he continues in service, it is sincerely hoped that Chief Kavanaugh will not take advantage of his opportunity to leave the service in June.

Just imagine that you were with me on a trip through the Bureau of Police in company with the chief as he explained to us some of the details of the interesting work that he is doing.

We were standing outside the old police building on Exchange Street.

"This building looks pretty old, Chief. Have you room enough to house a headquarters division comfortably and efficiently?"

"No. We need a new building," said the chief. "But there is an interesting story right here that you ought to know about. Were you familiar with the physical layout and appearance of this place in 1927?"

"Oh, yes," I replied, "I used to frequent it occasionally in the course of my work and was always impressed with the dinginess and disorderly appearance of the place."

"Well," said the chief, "you know that we are allowed so much a year for labor and it occurred to me that a great deal of that money was being spent ungainfully. Oh, I mean by that that laborers used to eat it up by filling and painting lanterns and idling away valuable time, so I bought a lot of paint and brushes and set them to work here. Not only did we paint but we also tore out a bunch of partitions, put new ones up in different places, and brightened the old place up so that the men feel that they are working in a police station and not a barn. All it cost us was a few dollars for paint and brushes, and we have organized the space inside for much more efficient and satisfactory police work and at the same time have toned it up so that it is much more pleasing to anyone entering police headquarters."

KEEPING TABS ON THE MEN

We entered the chief's office.

"Chief, what is that switchbox over there?"

"Say, boy," said the chief, "that's the greatest morale builder in the police department. I can plug in there on any call coming to or going out of any precinct and headquarters as well, and get the low down on any conversation. Every time a call goes through the central board, and all calls must, a light shows."

"Well, Chief," I asked, "don't they know that you are listening in?"

"No, sir," replied the chief, "no one ever knows when I may be on the line. The other day a lady called into Number Three and was giving a complaint about a car having been parked in front of her house too long. The station officer on the other end of the line was inclined to be a bit discourteous. After I had listened to the conversation, and the lady had hung up I gave the officer a buzz and reminded him of the fact that courtesy to citizens was one of the essential duties of a Rochester policeman.

"This little apparatus keeps me in pretty close touch with the situation at all times. It is convenient to know about things when they are happening without the other fellow knowing that you know it. If things come to a show down you can sort of take the wind out of a fellow's sails by telling him exactly what he said.

"I have started another wrinkle which gives me a lot of information. Do you see that Kardex file over there? Well, that's my personnel record. Every man on the force has a card in that file which gives the date of his appointment, personal description, attendance to duty, sickness and leave record and, most important of all, a personal record of achievement. It is a complete and compact record file which is kept in that manner for a four-year period. After that the cards are filed away alphabetically. In the old days when we wanted to know about a man's record we'd reminisce for a while and then agree that we didn't quite remember about this guy. Now we don't have to remember. A card does it for us. It's a big help in making transfers and promotions and in knowing who is on the job and who isn't."

CHIEF ANDREW KAVANAUGH

"Is that file open to anyone, Chief?" I asked.

"Not on your life," replied the chief. "That file is open only to the deputy and myself."

At this point the chief stepped over to his desk and picked up an eight-and-a half-by-eleven notebook which he described as his personal record of unusual complaints. It was a looseleaf typewritten record of complaints that had come to the chief's attention, filed by streets and cross indexed according to person's names and the nature of complaints.

"I intend eventually to have every precinct keep a record of this kind," the chief explained. After we get this thing going if a complaint comes in about the Blank family on Henry Street in the Sixth Precinct, the Sixth can look up its record and check three ways to see just what this Blank family have against them. It will help us in checking dope joints and disorderly houses, to say nothing of chronic law breakers. As we discover through our complaints and arrests that persons and conditions move from precinct to precinct these looseleaf sheets will follow them. We can spot our bad locations pretty easily at any time."

FINGERPRINTS AND PHOTOGRAPHS

"Chief," I interposed at this point, "I have heard a lot about fingerprinting and photographing in police work, but I never had much of an idea how it is done. I wonder if we can go up to the Bertillon room and look things over?" And here the chief's face lightened up with a broad smile as he led us directly to his Bertillon office where he outlined some of the work of this division. "With this new photographic equipment," said the chief, "which, by the way, is approved and recommended by the International Association of Identification, we can photograph a man in full size or we can take group pictures in as many positions as we like. These group pictures are often of great assistance. One of the greatest improvements in this outfit is our lighting. These long tubular lighting arrangements which you see hanging from the ceiling are Cooper-Hewitt lights which make photographing accurate. In the old days men knew when they were going to be snapped and they could distort their appearance. With this new equipment they never know when the birdie is going to wink its eye. These cameras are all new and of the latest design. We get real pictures now. We've enlarged our darkroom and have arranged it so that system in developing has meant great speed and accuracy. That projection printer over there is the best made and it allows us to step up our fingerprinting photographs to many times their natural size. It makes comparison that much more certain by bringing out each little detail. Then we also have a new printing machine which is accurate and speedy. We have just taken on a man in this division to make mechanical drawings of scenes of crime. The whole point to this new layout is that if we want pictures in a hurry we get them and we are sure that they are of the best."

"Chief, whom do you fingerprint and photograph?" I asked.

"Every morning," said the chief, "our whole line-up is brought up here. Fingerprints and photographs are taken. We take no chances on letting someone whom we want, or some other city may want, escape us."

"How are the prints and photographs filed?" I asked.

"Remember the days of the old rogue's gallery?" said the chief.

"Yes," I replied.

"Well, we still have it, but we also paste a picture on the record sheet of each individual person. As soon as we can get a requisition through for some more filing space we are going to classify these pictures and names of persons by crimes. That will save us a lot of time in locating a person's picture and name who we know is wanted for a particular type of crime. The fingerprints are classified and filed according to type, which is a standard method of filing, of course." And here the chief said laughingly, "Do you see that bottle of wine up there? Well, examine it closely and you'll see a fingerprint on it. There is an interesting story in connection with that bottle and one which shows the infallibility and value of fingerprint work.

THE WHISKEY THIEVES

"Burglars, known as the Whiskey Thieves, had committed eight drugstore burglaries, stealing nothing but whiskey. On the morning of May 3, 1928, an officer from the Fifth Precinct, while patroling his post on Lake Avenue, discovered the rear door of the Davis Drug Store, 1485 Lake Avenue, had been broken. His investigation of the store disclosed that the whiskey vault had been entered. Mr. Davis, the owner, was notified and his report was that $875.00 worth of whiskey had been stolen. Detectives Fleming and Pribus were assigned to the case by Captain J. P. McDonald of the Detective Bureau and the Bertillon officer was instructed to make a search for fingerprint evidence. A bottle of wine was found on the floor of the vault and this was brought to our photographic department and a fingerprint, which had been developed by powder, was photographed. A check was made against our fingerprint files for a fingerprint which would compare with the one taken from the bottle. None was found and the photograph of the print was filed under fingerprints found at scenes of crime.

"On July 13, 1928, at 3:00 A. M., while patrolling his post on Thurston Road at Raeburn Avenue, Officer Leiston of the Sixth Precinct observed two men in a Buick coupé with a set of Michigan auto plates on the car. He inquired as to what their business was and they stated that they were having trouble with the car and were unable to get it started. The officer attempted to start the car and it worked O. K. He then arrested the two men on a holding charge of vagrancy and took them to the Sixth Precinct. At 8:30 A. M. at the police line-up it was disclosed that one of the men had a police record, but the other man, Galpin, had none. He was photographed and fingerprinted and it was then discovered that his left index finger was the same as the one on the bottle of wine taken from the Davis Drug Store on May 3. He was questioned by Captain McDonald relative to the burglary, at first denied any knowledge of same, but when shown his fingerprint on the bottle and the photographs made from same he admitted that he was one of the burglars and also implicated the man arrested with him and gave the name of the third man. The second man refused to give any testimony that would incriminate him and was discharged in police court. Galpin was indicted by the grand jury and pleaded guilty in county court and received a suspended sentence of two to four years in Auburn Prison to make restitution of $875.00, the value of the whiskey stolen from the Davis Drug Store. Although Galpin admitted that he and the other two men had committed the burglaries in the other drug stores, there was no proof that they had, and the people would be unable to convict without corroborative evidence."

AUTO THEFTS REDUCED

After the chief had related this story I told him that it was certainly convincing from the standpoint of the value of identification, but that the officer who checked up on the foreign license plates on that automobile was on his job, too, and this led to the question of what the Rochester police force was doing by way of the recovery of stolen automobiles. Here the chief again swelled with pride and hazarded the guess that Rochester had one of the best organized systems to reduce the amount of automobile thievery and to increase the percentage of recovery of any city in the country.

"We have an auto theft bureau," said the chief, "which was organized in January of 1929 which does nothing but work on auto thefts and recoveries.

The bureau has worked out a very complete and fool-proof set of records and it works in close harmony with all precincts, automobile dealers, storage warehouses, gas stations, the state motor vehicle department and police departments of other cities. There are twelve men who are constantly doing detective work on automobile thefts."

"Well, Chief," I said, "how do your figures on automobile thefts and recovery for 1929 compare with those of other years?"

As we stood in the office of the auto theft bureau the chief pointed to a large blackboard which hung on the wall, and said, "There's the dope. Look it over."

This blackboard carried a running chart month by month for the years 1927, 1928 and 1929 of thefts and recoveries. In 1927 there were 1,293 cars stolen and 1,213 recovered, a recovery percentage of 93.8. In 1928, 868 cars were stolen and 804 recovered. This revealed a recovery percentage of 92.6. But here is the interesting thing. In 1929 there were only 592 cars stolen and 566 recovered, or a recovery percentage of 95.6. After studying the figures for a short time I asked the chief the answer to this great reduction in the number of thefts.

"Well," he said, "we have sixteen prowl cars on the force which have displaced the old, noisy motorcycles. These prowl cars operate day and night and catch a bunch of fellows in the act of stealing cars. Then, too, the thieves and potential thieves realize that we are constantly tightening our ropes of recovery and are checking up every possible source of evidence. I think the real answer is that we have them thinking that Rochester is a poor city to operate in."

THE RESEARCH DIVISION

From the auto theft bureau we stepped across the hall to the chief's newly instituted research division and the chief told us with pride that the head of this division was the first college graduate that the Rochester police department had ever had.

"This division," said the chief, "is concerned with the examination and identification of evidence, such as projectiles, cartridges, guns, blood stains and innumerable other evidence-giving objects. It has been established in coöperation with the Bausch and Lomb Optical Company and the Eastman Kodak Company. We keep in touch with their research engineers all the time to be sure that we may get the advantage of the latest developments in microscopic and photographic instruments. Possibly you would be interested in knowing what kind of apparatus we have in this research division. There are two standard metallurgical microscopes with focusing substages, a standard microscopic camera, a micro-chemical scope with polarizer and analyzer, a stereoscopic microscope, a chemical scale for weighing minute substances, and a small stock of chemicals for analyzing work. Just to show you the way this bureau operates I'll give you a brief incident that occurred not long ago.

"We had a murder here on January 5 of this year which we suspected a certain person had committed. This suspect was brought in and the gun which he possessed was fired and the bullets were compared with those found in the victim's body. They were found to be so dissimilar in their markings after careful analysis under our scientific scopes that the suspect could not be held on these grounds.

"In another instance a man was found dead in a room with a revolver broken open lying on the floor beside him. Examination revealed the fact that the man had been shot in the head and had died instantly. There was one empty cartridge in the gun. The question was puzzling to the police because most of the evidence pointed to suicide and yet the question prevailed, 'Why should, and how could, the revolver be broken unless someone other than the victim did it?' Examination of the cartridge found in the gun by our scientific scopes revealed the fact that an automatic cartridge had been used in an ordinary revolver and that the breach lock was slightly rusty. Several more cartridges of this same type were fired from the same gun and each time the gun, upon being fired, would automatically open itself because the oversized automatic cartridge together with a slight amount of rust would not allow the breach lock to close. When this evidence was revealed the coroner issued a certificate of suicide. It is this type of work which this division accomplishes. As time goes on and as we become more and more accustomed to and familiar with this technical work, scientific evidence will be developed to a high point. It is exceedingly valuable in detective work."

"By the way, Chief," I interrupted, "the mention of detective work reminds me that I was over here at police headquarters a couple of years ago and at that time there was some talk about checking up on the work of the detectives. Has anything been done along those lines?"

"Yes, sir," emphatically replied the chief. "Every time a detective is given an assignment a card is made out giving the time of the assignment and some other miscellaneous information. Progress on all assignments is reported by the detective and is carefully followed so that we now have efficiency reports on all detective work. Another thing done in the detective division was to abandon the policy of hiring taxis for detective work and to purchase four Ford sedans for the use of the detectives. We used to have an annual taxi bill for this item of about $6,000 and still when we wanted a car in a hurry we had to wait for the cab service. Now we are getting transportation quickly and for less money, and believe you me, 'quickly' in detective work means something."

GOOD STATISTICS HELP

We left the discussion of the detective division when the chief led us to the division of statistics, another newly instituted division where he introduced us to the department statistician who explained that practically all of the record work of the bureau of police is concentrated in the office of this division.

"In the old days," he explained, "the precincts were loaded up with report work. In many instances the forms would not supply us with the information which we desired. Now we get one daily record from each precinct which takes the place of four of the old, lengthy precinct reports.

"Monthly reports of natures of crimes and services are made in this office now," he continued, "whereas before this division was instituted, each precinct made its own. We have completely revamped the forms for our report work and have reduced them in number to a considerable extent. The great value of this is that the precincts are doing more police work and less clerical work and our records are in far better shape than they were before. We have established in this division a permanent arrest card for everyone arrested. In short, we have the low down on what police record a man has behind him when we get him, if we have ever had him before."

BUILDING MORALE

"Say, Chief," I interposed at this point, "we hear a lot these days about *morale* in organizations of any considerable size. What's your slant on this point in relation to a police department?"

"Well," said the chief wisely, "building morale is a matter of showing the fellows that you have a real interest in them and making them feel that you are doing everything in your power to give them good working conditions."

"That sounds logical, Chief," I replied, "but specifically, how do you do it?"

The chief replied, "We have organized a police school which was opened in 1928. Every man on the force under ten years of service is required to attend school one day a week for two hours. The instructor has had training in a police school in New York City. He lectures on fundamentals of police work, conducts open question periods on specific and technical points and the fellows feel that they are learning what to do and what not to do in line of duty. In short, they know more about their job, which I believe is fundamental in making a fellow like his job. Of course, there is another valuable result from this school work, too. You know the boys don't like to be shown up in front of the others so that during lecture and discussion periods they are constantly on their toes to "get the dope" so that if they are called on later they can give an intelligent answer and not appear to be dumb among their fellows.

"Another morale builder is our target range," continued the chief. "We built this range in the basement of an old city building in 1928. We did it with our own labor and it cost us very little. It consists of five, ten, fifteen, twenty and twenty-five yard marks. Every man in the department must practice in revolver shooting once a month and we check up very closely to see that they report for this practice. We have an ex-army man as instructor and the range is open for practice at any time. We had a competition match here a short time ago between five men from the east and west divisions of the city. These men were picked by elimination matches, and a 38 Colt revolver with holster was offered as a prize to each man on the winning team. The competition developed a keen interest among the men and at the same time taught them how to handle their weapons. As I said before, by developing interest and knowledge, morale can be built.

"Another point here is that extra or overtime duty has been cut to a minimum. As an example, extra duty for parades has been cut out. Night men are not required to appear in court the next morning to give evidence. In other words, a night man can get his regular sleep in the daytime without being interrupted to appear in court on overtime duty. This makes the men feel that their off time is their own except in extreme instances when crises occur.

"Well, Chief, this has been a very interesting trip and we leave the bureau congratulating you for the improvements in methods which you have instituted, and particularly what you have done toward building morale because after all that is the heart of a police system. We leave convinced that you are rendering a real service to those people for and with whom you work."

"Well," said the chief, "there has been a lot of fun in it for me but I could not have accomplished these things unless I had had the complete coöperation of my immediate superiors. The director of police, the commissioner of public safety and the city manager have certainly coöperated to the fullest extent in carrying out what I have outlined to you."

THEORY AND PRACTICE IN STATE ADMINISTRATIVE ORGANIZATION

BY HARVEY WALKER

Ohio State University

The author questions the dogma of state administrative reorganization through concentration of power and integration of functions under the governor. :: :: :: :: :: :: :: ::

THERE seems to be an irreconcilable difference of opinion among experts as to the fundamental principles which should govern the organization of our state governments. One can only weigh them, as the judges do, and attempt to determine the weight of authority.

THE MAJORITY OPINION

Judging by its acceptance, the majority rule seems to be that expressed by A. E. Buck in his pamphlet, *Administrative Consolidation in State Governments*. He says, "During the past decade certain standards with respect to administrative reorganization and consolidation have been developed. These are not theoretical, but are based upon experience and supported by actual practice in several states." They may be stated briefly as follows: (1) Functional departmentalization of administrative agencies; (2) Fixed and definite lines of responsibility for all departmental work; (3) Proper coordination of the terms of office of administrative officials; (4) Use of single directors, rather than boards as administrative agencies." He goes on to say, "The above standards are not uniformly accepted, since in every state reorganization there has been more or less of a fight between those who sought the new system and those who supported the older order of things. In some of the states this opposition has been so strong that the consolidation plans adopted were to a large extent compromises in which standards gave way to expediency. . . ."

The key to this philosophy (for such it surely is) lies in the following statement: "Those who have made a careful study of state constitutions are of the opinion that the governor ought to be the only elective administrative officer and all the administrative machinery of the state government ought to be carefully departmentalized and placed directly under his supervision and control."

While we may disagree with Mr. Buck as to the universal acceptance of these principles, we must admit that he has stated the majority view. Because of its widespread acceptance and the use in the teaching of state government and administration, it behooves us to examine the bases upon which it rests, and the causes which have led to its adoption by political scientists.

The first substantial contribution to the theory of administrative reorganization is found in Chapter II of the report made by the New York Bureau of Municipal Research on the "Constitution and Government of the State of New York," issued in 1915. The chapter is entitled "Standards for the Appraisement of the Present Constitution and Government." One has only to compare the cautiously worded statements of this chapter with that of Mr. Buck to see how much confidence the proponents of executive domination have gained in fifteen years.

The chapter on standards which has been referred to contains a number of concepts. The most important is that a close analogy exists between a state government and the management of an ordinary joint stock company. This analogy is familiar to all students of public administration, as are also the main points at which such an analogy is defective. Without going over this familiar ground, it may be suggested that the analogy is more dependable when applied to function than to form of organization; the report made the error of attempting to apply it to both. A second concept is that of executive responsibility. Here the experience of European countries is cited. It is not pointed out that the basis of executive responsibility in a constitutional monarchy, or under a cabinet system, is essentially different from that found in our governmental system. A third concept is that of the separation of staff and line functions. While there is some question as to the extent to which this principle can be carried advantageously, it would take us far beyond the scope of this discussion to go into the matter.

In the chapter of this New York report dealing with the governor and the administration, which follows, may be found the progenitors of others of the "principles" of the prevailing theory. Such, for instance, is the assertion that the clause of the state constitution which purports to vest the supreme executive power and authority of the state in a governor, was intended to make him head of the administration. This assertion is found with monotonous regularity in subsequent reports in other states. In this case, a neglect of historical background has led the experts into the serious error of contending that a clause which had its origin at the inception of our state governments, when there were few or no administrative functions, when the governor was subordinate to the legislature, and which was carried forward into subsequent constitutions without debate, should be given an effect which would flatly contradict the whole history of state administration.

The report also contains a denunciation of boards or commissions as administrative agencies, a pronouncement against constitutional executive officers elected independently of the governor (with the possible exception of the auditor) and a suggestion for regimentation of line agencies into a small number of functionally organized departments responsible to the governor. Thus all of the "principles" which are urged today in favor of administrative reorganization of the strong executive type can be traced to this document.

Another current of thought which has influenced the development of the theory of state administrative reorganization is that which attempts to draw an analogy between the government of our states and the federal government. No doubt this idea was in the mind of the writer of the New York report, although it seems not to have been mentioned.

Later reports are more outspoken. Governor McKelvie of Nebraska, for instance, points out in an article in the *American Review of Reviews*, that the movement for the reorganization of the state governments is simply to fashion state governments into the more perfect type of our national government. He says, in part, "Briefly, it is simply a return to first principles, as embodied in the government of the United States, a republic the like of which has never been founded." Such appeals to blind patriotism are typical of the unscientific attitude in which the problem of state administrative organization has been sometimes approached. Every student of public administration knows that the analogy between state and national governments is not as close as would seem at first glance; and there are few who would propose the structure of the federal administrative machinery as an ideal to be striven for by any government, state or local.

TIME FOR EVALUATING RESULTS HAS COME

It would seem that sufficient time has elapsed to justify an attempt to evaluate the results of this strong executive theory; and, if the hypotheses are found inadequate, to reformulate or abandon them in favor of new ones. Unfortunately no one has yet attempted to do this work on a comprehensive scale. The few local appraisals which have been made are not all scientific in their approach and method.

Typical of the appraisals which may be thus criticized are the messages of the governors. These bear unmistakable earmarks of political and personal bias. The governors are usually favorable to the scheme of integration because it enhances the prestige of their position and multiplies their opportunities for the manipulation of the state government to their personal or political advantage. Governors belonging to the party which was responsible for the adoption of reorganization can find many more evidences of the benefits of the scheme than those representing the opposite political faith. It would seem that neither of the two national parties has a monopoly on reorganization plans or accomplishments. Outstanding Democrats such as Governor Smith of New York and prominent Republicans such as Governor Lowden in Illinois have been champions of the cause of the downtrodden and neglected office of chief executive in the states. And the opposite parties in each instance have not hesitated to criticize their schemes. *Sic semper politicus.* It is interesting to note that in both of the instances cited, the activities of the governors in connection with reorganization were an important factor in their candidacy for the nomination for President of the United States.

It is not likely that political scientists can expect to get a scientifically accurate picture of the results of reorganization until men thoroughly grounded in the science make a painstaking examination of the evidence. This is a huge task—one which cannot be accomplished by consulting published reports and remaining "on the outside looking in."

I am not convinced that experience has shown that comprehensive reorganizations are preferable to piecemeal reorganizations. If one could assume that equally careful studies would be made in both cases there might be little choice. But I saw Theodore Christianson mount to the governor's chair from a comprehensive reorganization which upset valuable relationships of long standing between administrative departments and the public, aroused the ill will of practically all of the permanent employees of the state, led to an attempt by untrained politicans to question the propriety of expenditure programs mapped out by professional employees, and caused a serious break in relations between the governor and the state university. Of course, there were many factors which entered into the total situation, but I, for one, am willing to postulate that piecemeal reorganization could have accomplished all that was good in this new system in Minnesota without creating all the enmities which now exist. Such a program could have been based upon more careful study of smaller segments of the problem, and I am satisfied that, although it might require a longer time to accomplish the result, the delay and study would produce less friction and more benefit. The careful political scientist, working with the administration, should be able to recommend these piecemeal changes in the direction of what is best in organization.

SHOULD THE GOVERNOR HEAD THE ADMINISTRATION ?

The hypothesis that the governor should be the head of the administration seems to me to need revision in view of experience, as well as in view of sound theory. I have had the opportunity in Ohio to watch rather closely, from the inside, the operation of the state administration under the first governor since 1921 who has been in sympathy with the code. During the twelve months which have elapsed since the present governor took office, all of the constructive work in coordinating administrative activities and in placing the administration on a sound business basis has originated in his staff agency, the department of finance. This is not due to a lack of ability or interest on the part of the governor, who has always been glad to endorse any forward-looking scheme, but to a lack of time on his part to give study to administrative problems. It seems to me that in our larger states we can never expect the governor to be more than a chief administrator in name. His time must be spent largely in his executive, legislative and political tasks. He cannot in a single two-year term gain sufficient knowledge of the existing administrative structure and its functions, and of the principles of sound administrative practice, to make his influence felt upon the administration. The weekly or bi-weekly sessions of his cabinet must of necessity be devoted largely to political questions—matters of patronage and considerations affecting public opinion.

This situation has led in Ohio to a condition which seems to be inevitable, namely that the chief of the governor's staff agency shall be the real chief administrator. Appeals by department heads from actions of the director of finance to the governor have frequently caused a reversal of sound administrative decisions on political grounds.

The next step in theory and practice may lie along the line suggested by this development. Why maintain the fiction that the governor is the responsible head of the administration if experience shows that he cannot assume that rôle? May I suggest that we formulate a new hypothesis more in accordance with the facts?

I submit, as such an hypothesis, that we should recognize in our states, as we have done with such conspicuous success in our cities, that there is an essential difference between executive and administrative functions. We all know that administrative work is best done by experts. We also know that it is difficult, if not impossible, to secure competent administrators through the process of election. The development in our states which has just been described bears out this point.

WHY NOT A NEW OFFICE—THE CHIEF ADMINISTRATOR ?

Why not, therefore, provide for the office of chief administrator—to conduct the routine business of the state along scientifically sound lines? This was the object of the Oregon proposal of 1909. That suggestion contemplated the creation of the office of business manager, under the supervision of the governor. The business manager was to be an expert, and was to have full charge of the administration. The governor was to retain all of his political authority and a general supervision over the activities of the administrator. With the development of the power and prestige of the director of finance, the reorganized states seem to be approaching the Oregon proposal more and more closely. It is unfortunate, I believe, that our theorists in state administrative organization did not follow up the Oregon suggestion instead of turning to the federal and corporate analogy, which has led us into devious paths to arrive at what we could well have started with twenty years ago.

Another point at which experience seems to belie theory, is in connection with the hypothesis that adequate control over the governor will automatically result from the adoption of the principle of integration. Much of the reluctance to confer wide powers on the governor which exists in legislative bodies when reorganization proposals are presented can, I believe, be traced to the conviction that the grant of such sweeping powers should be accompanied by correspondingly effective controls. Such controls have not been offered. The theorists say that concentration of authority is inevitably followed by a corresponding responsibility. But how can this responsibility be enforced? The only means available are the same ones which are present before reorganization—namely: the ballot, impeachment, and in some states, the recall. The ballot is available only at the expiration of the governor's term—and is of no value as a protest, because of its negative character. The opposing candidate may be quite as venial or unscrupulous, yet his election is the only means of enforcing party responsibility. In most of our states, impeachment may be brought only in a regular session of the legislature. Since, under a two-year term, the governor is out of office before the legislature meets, this remedy is of small value. Even under a four-year term, it requires the grossest abuse of executive power to assure the impeachment of the governor if he is of the same party as the legislative majority. If he is not, the charges are likely to be trumped up. Where the recall is available, it is used only when the people become thoroughly aroused. Corruption has an uncanny faculty of remaining hidden unless there is a vigilant minority searching for it.

HOW PROVIDE CONTROL?

One can hardly criticize the legislators who demand that adequate control accompany increased authority. It may, I believe, be confidently asserted that such control must be continuous if it is to be effective. It must be of the same type as that possessed by the city council over the city manager. Applying the analogy strictly, one might suggest that in order to establish this type of control, it must be done by having the governor chosen by the legislature, and removable by it at will. But there are many objections to such a suggestion. First, the legislature is not in continuous session. Second, the governor should not be, as we have shown, vested with direct responsibility for the administration. Third, there is need for political as well as administrative leadership.

All these objections can, it seems, be met by adopting the hypothesis that the chief administrator should be chosen for an indefinite term by the legislative body from nominations by the governor, and that he should be subject to suspension by the governor and discharge by the legislature at any time. Such a scheme would retain the political leadership of the governor, establish a continuous control over the administration and make it far more possible to secure a competent expert as leader of the administration.

I will anticipate some of the objections to such a hypothesis. First, what assurance would there be that a competent expert would be chosen? Would he not be a mere political henchman still farther removed from political control than is the governor in our reorganized states? The answer is not easy, for the scheme has not been tried. But I believe that it is safe to say that such an expert is more likely to be chosen through appointment than through election. By setting up an adequate salary—say $25,000 to $50,000 per year—the people would expect more and would require more from the governor and legislature in their selection than can now be expected or required when the director of finance or of administration receives a nominal salary—which in practice must always be less than that paid to the governor. Continuity of control and continuous possibility of removal would exact a higher quality of responsibility from the whole administration and from the governor and legislature than our present system.

A possible second objection might be that such a plan would tend to create a bureaucracy. I am not afraid of bureaucracy, if it is held to a continuous responsibility for its acts. Popular objection to this particular stereotype could be overcome in time, as it has been in Great Britain, through a high quality of service to the public and dissociation of the civil service from partisan politics. Such accomplishments are hardly to be expected under our present system.

A third objection might be that the office of governor under such a plan would have little or no reason for existence. It must be remembered that the governor has many constitutional functions, such as the privilege of pardon and reprieve, and the veto. He also is required to act as ceremonial head of the state and as commander-in-chief of the militia. Even at present his duties as party leader consume most of his time. To my mind, the future of the office of governor lies in legislative leadership. Recent tendencies in administrative reorganization have tended to crowd out this concept. The creation of the office of chief administrator would leave the governor to do what he is best fitted for—to act as the voice of the whole people in the formulation of legislative policies. He would have the added duty of acting as the agent of the people in watching the day-to-day activities of the administration. He would be the continuous critic of the administration, exercising a function sorely neglected heretofore. On occasion, his power to suspend the chief administrator and to call a special session of the legislature to consider his removal, would give him a powerful weapon to enforce public opinion against administrative abuses.

It might be suggested in closing that some exceptions should be made in the theory of functional departmentalization of line agencies, in the rigid theory of the unfitness of boards for the performance of administrative functions, and in the theory of correlation of terms of office. Of course, the modifications in these theories which seem to be desirable under present conditions might well be obviated by a change in the fundamental structure of the administration, such as I have suggested.

RECENT BOOKS REVIEWED

Report of Special Committee on the Parole Problem, Appointed by Governor Franklin D. Roosevelt. January, 1930.

How to make parole in New York state something more than "an under-financed moral gesture" is outlined in the report of Governor Roosevelt's special committee.

An interesting contrast in expenditures is provided in the report. Archaic conditions in state prisons call for a prison construction program in the next few years of some thirty-eight million dollars. For the fiscal year, 1928–29, the present parole system cost only $90,000. Millions for prisons to put bad men away, but meagre thousands to help them to be good after they get out!

Definite recommendations were made by the committee, among them the creation of a full-time service parole board with a well-equipped organization and staff to carry on the work on a state-wide basis in accordance with the standards of good social case work. The report, while necessarily produced under pressure of time, is constructive and thought-provoking.

The personnel of the committee was as follows: Sam A. Lewisohn, chairman; Raymond Moley; George W. Alger; Edwin J. Cooley; Jane M. Hoey; and John S. Kennedy.

H. P. Jones.

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The Recall of Public Officers. By Frederick L. Bird and Frances M. Ryan. New York: Macmillan, 1930. Pp. viii, 403.

The initiative, referendum and recall in the United States were products of the so-called progressive movement which aimed to give the electorate a more direct control of their public officers. "The Recall of Public Officers" is the first attempt at an intimate and realistic study of the actual operations of the recall on a comprehensive basis. While the study is limited to the state of California, the general findings and conclusions of the study are certainly general in their application.

This commendable study shows that while the recall has neither fulfilled the hopes of its sponsors nor the fears of its opponents, it has in many instances proved to be a useful instrument of public control. The possibilities of recall in the hands of an alert and intelligent electorate are, of course, great, but in the words of the authors, "The electorate generally has not as yet learned to be any more judicious and discriminating in the recall of officials than in the election of officials." Nevertheless, the public has a sense of security in its knowledge of its possession of a potential weapon even though it may be questioned whether or not the average public official is greatly moved by being aware of this "gun behind the door." Although previous estimates of the number of recall elections actually held must be revised upward to some extent, yet the percentage of recall elections to the number of cities providing for its use is extremely small.

Here is a book which should prove interesting alike to the public official and the student of politics. Its realistic flavor in describing the intimate machinations of urban politics, which are oftentimes overlooked by the theoretical political scientist, deserves to classify the book as a picture of present political conditions as they actually are, rather than as they ought to be.

The publication of this political field-study marks one more step towards a working knowledge of the actual operation of our political institutions, rather than the comfortable armchair picture which many of our political scientists paint.

J. Otis Garber.

Bureau of Civic Affairs,
Toledo Chamber of Commerce.

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Neues Altona, 1919–1929. *Zehn Jahre Aufbau einer deutschen Grossstadt.* By Paul T. Hoffmann. Jena: Eugen Diederichs Verlag, 2 vols., 1929. Vol. 1, 642 pp.

Altona is a city which, according to the census of 1925, has a population of approximately 225,000. It is in Prussian Schleswig-Holstein and adjoins the Free City of Hamburg. Like other German municipalities, it has just passed through a difficult and troubled decade. The present work, in two large quarto volumes, depicts "Ten Years of Reconstruction in a German Metropolis." *Neues Altona* is an official document written by a city official and published by authority of the municipal *Magistrat.* Three years were required for the preparation of the volumes which are based upon city reports, interviews, and personal observations. An American municipality, wishing to survey itself, might call in a municipal research bureau or some outside expert. Altona summoned one of its own officials. The result is a history and a survey which is accurate, complete, objective, and nonpartisan.

The first volume is divided into five main parts: history and governmental organization; housing and planning; welfare activities; public security, health, and convenience; and industry, trade, and commerce, including municipal finance and utilities. The reviewer has not had the opportunity to examine the second volume which, according to the preface, deals with the character and significance of the metropolis; education and schools; and artistic, scientific, and cultural life. Of special interest to the reviewer was the discussion of municipal administrative reform (I, pp. 54–70)—an important and much debated question at the present time. How can the German city best simplify its government, reduce its expenses, and increase the efficiency of its services? In the pages just noted, Altona's efforts to answer this question are fully discussed and illustrated by well selected charts and photographs.

Undoubtedly, one of the most striking features of *Neues Altona* is the wealth of illustrations. The first volume contains 19 full-page color plates, over 300 photographs, more than 50 charts, and between 50 and 100 statistical tables. An attractive format is used throughout the work and the reader is provided with an adequate table of contents, complete index, and marginal headings on the side of each page.

Some of the volumes from the series entitled *Monographs of German Cities* have already been reviewed in these columns.[1] *Neues Altona* does not belong to this series, but it is much like the monographs in form and content. In many ways it is superior to them, for it is written by a single person and hence has a greater unity, it is more detailed, and is better illustrated. In short, the work is of great value both to the layman and to the expert. American students desiring to know something of what municipal government in Germany today is really like can do no better than peruse the pages of Mr. Hoffmann's remarkable volumes.

ROGER H. WELLS.

Bryn Mawr College.

THE OUTER DRIVE ALONG THE LAKE FRONT. Chicago Plan Commission, 1929. 153 pp.

While this report, like that reviewed last month (Plans for the Northern and Southern Riverfront, St. Louis), sets forth the reclamation and embellishment for use and beauty of an extensive portion of the waterfront of a great city, the present volume deals more largely with accomplished fact and the men who have been instrumental in bringing it about. In fact its 150 pages are chiefly devoted to a transcript of resolves, ordinances, court actions, previous committee reports and letters, with seven alternative engineering estimates for bringing about the great improvements for which construction drawings and specifications were finally authorized in July, 1929.

In brief, the two great lake-shore park systems of Chicago are to be connected. Lincoln Park now extends chiefly on filled land, for many miles along Lake Michigan to the north from a point four blocks north of the Chicago River. Similarly the South Park system extends to the south from its northernmost portion, known as Grant Park, which is only three blocks south of the Chicago River. Through the efforts of the Chicago Plan Commission the two independent taxing bodies handling these respective systems were brought together, and have now taken all legal steps necessary to construct each one-half of the intervening link: a 140-foot elevated road with 100-foot pavement, crossing the mouth of the Chicago River on a 108-foot bascule bridge with two 38-foot pavements. It is estimated that the new road may be ready for public use by May, 1931. It will then be possible to drive between any parts of the city near the lake over park drives independent of the regular street system, thus essentially completing the great lake-shore park and parkway development incorporated in the Chicago Plan twenty years ago.

ARTHUR C. COMEY.

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THE NONPARTISAN BALLOT IN CERTAIN PENNSYLVANIA CITIES. By J. T. Salter. Norman, Oklahoma: Transcript Press, 1928. 257 pp.

Mr. Salter surveys the operation of the nonpartisan ballot in the 28 Pennsylvania cities of the third class from its introduction under the Clark Commission Government Act of 1913 to its repeal by the legislature in 1919.

In the first chapter, the history of the adoption and repeal of the nonpartisan ballot in the Pennsylvania legislature is traced, and it is conclusively demonstrated that the "birdless" ballot was abandoned not because it was considered unworkable by the people, but because the politicians feared it would destroy party discipline. The united opposition of organization men offered a real testimonial to its effectiveness. The disclosure of the fact that Boies Penrose, widely quoted as favoring the nonpartisan ballot, was largely responsible for the passage of the repealer, throws further light on the question.

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[1] See NATIONAL MUNICIPAL REVIEW, January, 1929, pp. 39–40 and 56–58.

From material gleaned from questionnaires, interviews and press comment, Mr. Salter continues with an elaborate and lengthy symposium of opinions of organization men, elected officials and other interested groups. Next, he compares the merits of candidates under the two systems, indicating that those elected under the nonpartisan system were measurably superior in respect to such definite attributes as age, education, occupation, and experience in public office, and as to the more intangible characteristics of ability, character, and personality. In respect to the interest of electors, measured by the number voting and space devoted to election news in the press, and in the lessened degree of partisanship determined by the smaller number of purely party appointments made, the nonpartisan system compares favorably with the partisan. In the last few chapters campaign methods, issues, and methods of guiding public opinion under the nonpartisan system are discussed.

Mr. Salter stresses the need, especially in a large city, for an "organization as robust and effective as are the local branches of the national parties," with the community rather than the party interest foremost. He realizes the limitations of the non-partisan ballot, "which may facilitate sound thinking even though it cannot take the place of such thinking in municipal affairs," and concludes that it has a potent psychological as well as practical effect, and should be evaluated for what it is worth, comparing it with other electoral devices in use, rather than with some ideal system.

Mr. Salter's study, especially the section on Opinion, lacks a certain organization and unity perhaps because of the wealth of first-hand material presented. It would have been interesting if he could have devoted more attention specifically to the question of whether national party lines were eliminated from local elections, and if so, whether other cleavages having even less relevance to local affairs than the regular party divisions tended to appear, such as racial and religious differences which some authorities consider a real danger inherent in the nonpartisan ballot system.

To the student of practical politics the methods utilized in this study will be of significance.

BIANCA M. LEALE.

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AMERICAN CITY GOVERNMENT AND ADMINISTRATION. By Austin F. Macdonald. New York: Thomas Y. Crowell Company, 1929. xv, 762 pp.

With the number of textbooks on municipal government and administration in the field, it seems that an author must offer a justification when presenting another; in his preface, Professor Macdonald states that he has attempted "to introduce some new points of view, and to give newer problems of government greater emphasis than they have commonly received in the past."

One new feature of the book is an early chapter on "The Theory of City Government," which aims to provide the student with some fairly definite standards of evaluation, before beginning the actual study of the various plans and problems of governmental organization. In this chapter the author lays down as the fundamental principles of sound municipal organization the following: concentration, simplicity, and confidence. Throughout the book these principles are emphasized; they are, so to speak, the author's text.

In general the author has not been dogmatic as to the merits or demerits of governmental devices but has been content to present the arguments for and against and to indicate the tendencies and developments. Two examples may be given. In his discussion of the manager plan the author states that "manager government cannot guarantee the honesty and efficiency of city officials. It is merely a scheme for simplifying the municipal framework and making easier the task of selecting good men." In evaluating the recall he is frank to confess that "whether it has actually made public officials more circumspect no one can say with assurance."

Fifteen chapters of this book are devoted to government and a like number to administration. The question of balance and the proper amount of space to devote to the various questions discussed is one to be met by an author; this is especially difficult when both government and administration are treated in a single volume. In general the reviewer feels that Professor Macdonald has made an excellent allotment of space to the various questions that he has considered. There might be some question, however, as to whether, in a textbook on city government and administration, more space should be devoted to a chapter on education and recreation than to one on revenues; and whether more time should be given to charities and corrections than to expenditures and indebtedness. The relative importance of the various subjects treated are, however, questions upon which no two men would agree. The author has a readable style and the book should prove to be a very satisfactory text. In the treatment of the engineering phases of administration, such as water supply, sewage and garbage disposal, the governmental aspects have been emphasized and the technical language of the engineer avoided. Throughout the book emphasis is placed on the functional aspect of the subject.

Charles M. Kneier.

University of Nebraska.

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Democracy: Its Defects and Advantages. By C. Delisle Burns. New York: Macmillan Co., 1930. 217 pp.

The Essentials of Democracy. By A. D. Lindsay. Philadelphia: University of Pennsylvania Press, 1929. 82 pp.

It seems strange that one of the conspicuous results of the war to make the world safe for democracy should be a world in which democracy is openly repudiated in numerous major governments of Europe and is everywhere somewhat suspect. The result has been to stimulate interest in the theory of democracy among its friends who for a generation had been taking it pretty much for granted. Among these are the authors of the present volumes, two British writers, who seek to reëstablish the theory of popular sovereignty. To begin with, there is little difficulty in demonstrating the weaknesses inherent in dictatorships such as a Pilcudsky, Mustapha Kemal, or Horthy have set up. The recent failure of Primo de Rivera comes as ample proof of that. Much the same is perhaps applicable to the party despotism now flourishing in Russia and Italy.

These authors agree in finding positive superiority in democracy. They differ slightly as to wherein the virtue lies. Burns redefines the common man as those ideas and attitudes which men have in common. He finds that the specialist in one field tends to become the common man in other spheres. To Lindsay the merit of democracy inheres in the process of public discussion—something akin to what Woodrow Wilson called "common council." But whereas he regrets that simple democracy must through physical necessity give way to a representative system, Burns is contemptuous of counting heads irrespective of their contents and would have representatives chosen in the Burkean tradition to provide leadership rather than to follow mandates of the electors. The authors agree that the key to democracy is to be found in freedom of discussion and organization, and effective opposition.

These two small volumes are pleasantly readable and plausibly argued. They are based strictly on English experience and display scant acquaintance with such American contributions as the still sturdy New England town meeting, or Tammany Hall, or democracy in Chicago or California. Burns' definition of a political party as "a group of persons acting together for certain consciously accepted purposes, a real unity of many minds not a mere collection of individuals" was not framed with the grand old party of Hoover, Bill Thompson, Bill Vare and Hiram Johnson in mind. And even in respect to the psychological and sociological premises upon which they rest their case for democracy, these earnest authors have not said the last word.

Joseph McGoldrick.

Columbia University.

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From the Physical to the Social Sciences. By Jacques Rueff. Baltimore: Johns Hopkins Press, 1929.

The Johns Hopkins University Institute for the Study of Law has been well-advised to publish this translation of Rueff's admirable little essay on method. Oliphant and Hewitt have enhanced the value of the book by the choice of pertinent illustrations from the field of jurisprudence in their introduction.

Those of us who have contact with human relations in the law court, the market place or the legislature have been greatly exercised recently by the possibility of "becoming scientific." No inquisitive mind can ever rest permanently at peace with itself, and remain bound to the routine acquisition of facts and to the impressionistic solution of "practical" problems. The man who is merely an administrator, manipulator and technician is not quite a man, for he lacks a sense of his relationship to the larger intellectual aspects of his position in nature and society. The present urge to read and discuss "scientific method" is a wholesome sign that to specialize is not necessarily to robotize.

Rueff has undertaken to show that the physical and social sciences rest on identical foundations. The rational ego, he writes, has forged certain tools which collectively constitute the "reasoning machine." This machine consists of syntax, or the aggregate of rules governing the association of words, of formal logic, or the aggregate of rules governing the association of propositions, and of mathematical analysis, or the aggregate of rules governing the association of a particular category of words representing magnitudes. The reasoning machine works the same whether its object of reference is "physical" or "social."

This method of exposition does much to transcend the customary dogmatisms in terms of which a discussion of methodology is conducted. If the opening chapters are beguilingly simple, the reader must not expect immunity from technicalities. A long and difficult chapter is devoted to "Euclidean Theories" of economics. If the brevity and clarity of Rueff's brochure entices the reader further into the existing literature on method, he will have performed no menial chore. It is the belief of this reviewer that when the philosophy of events shall have found so competent an expositor and popularizer as Rueff, we shall be especially fortunate.

Harold D. Lasswell.

The University of Chicago.

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Source Book of American Political Theory. By Benjamin Fletcher Wright, Jr. New York: Macmillan Co., 1929. 644 pp.

This compilation of American political writings and discussions is the result of what is doubtless a well founded "conviction that the study of political theories can be satisfactory only when the original writings are available to the student," and is here presented to him for the further reason that, while "most of the classics of European political theory, from Plato to John Stuart Mill, are now to be had in convenient and inexpensive editions . . . the writings of American political thinkers are, for the most part, not to be found in similar form."

On the whole the book should serve its purpose well. It does supply a convenient and, because the extracts are not too brief, really useful sampling of such political speeches and writings as are usually less available than some of those that are here omitted, for example the *Federalist.* Except for such obvious and intentional omissions as this, the selections seem, at least to one who is not a specialist in the field of American history, to be quite thoroughly representative of the growth of American political institutions and opinions.

Much of what is included is not, however, as the author is aware, from the works of "political thinkers," although, as representing the political ideas of the people, for that reason in itself not less interesting. The popular speeches in the more important of state constitutional conventions, and such extracts as are taken, for example, from the speeches or writings of Theodore Roosevelt, Samuel Gompers, Robert M. La Follette, Alfred E. Smith, and Herbert Hoover, are less in the nature of what is commonly reputed to be political thought than are the writings of a Thomas Jefferson, who is here also represented. Much of the former kind seems illustrative rather of political conduct than of political thought—thought, too, in a sense, but applied thought of thinkers long dead. This is especially true of what is offered for the period since the Civil War. Indeed, it is not yet quite clear what there is that can be called an American post-Civil-War political theory.

The selections, each with an introductory paragraph, are grouped into chapters each of which is headed with a well written historical introduction. In fine, this book would seem to be thoroughly useful as collateral reading for American college courses in American government, history or political theory.

Walter Sandelius.

University of Kansas.

REPORTS AND PAMPHLETS RECEIVED

EDITED BY WELLES A. GRAY

Assistant Director, Municipal Administration Service

Expenditures for Recreation in Wisconsin Cities of 5,000 Population and Over, 1928.—By Celia Harriman, Municipal Information Bureau, University of Wisconsin. Madison, November, 1929. 4 pp. (Mimeographed.) Here are listed the expenditures for recreation by Wisconsin cities, classified according to celebrations and festivities, baths and bathing beaches, playgrounds, parks, etc.

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Report on Highway Traffic Conditions and Proposed Traffic Relief Measures for the City of New York.—By Day & Zimmermann, Traffic Engineers, Philadelphia. New York, Minutes of the Meeting of the Board of Estimate and Apportionment, October 24, 1929, pp. 7283–7518. Here, buried in the minutes of the New York Board of Estimate, is the much discussed report of the traffic survey for New York City, made in 1929 by Day & Zimmermann of Philadelphia. This is a complete study of the entire problem with recommendations for temporary and permanent solutions of its various aspects. (For copies of these minutes apply to the Secretary, Board of Estimate and Apportionment, Municipal Building, New York City.)

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Condensed and Tabulated Heating Rates, 1929–1930.—The Ric-wil Company, Union Trust Building, Cleveland, 1930. 6 pp. A tabulation of the rates and conditions of service established by 204 municipal and commercial steam heating plants and by 27 hot-water heating plants, in 30 American states and Canada.

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Suggested Sanitary Code for Cities.—Albany, New York State Department of Health, 1930. 44 pp. This code was prepared by a joint committee representing the New York State Department of Health and the New York State Conference of Mayors and Other Municipal Officials. Although designed primarily for cities in New York State, and, therefore, planned in accordance with local laws, it will be of general interest to all city officials. It includes sections on communicable diseases, milk and cream, meat and meat products, food and its handling, sanitation, swimming pools, etc.

✻

Report on the City of Pasadena, California.—By the California Taxpayers' Association. Los Angeles, Association Report No. 29, 1929. 202 pp. (Mimeographed.) This is the report of a general survey of the entire government of the city of Pasadena, California, made during 1929 by the Association. An interesting feature of this report is that it is in two parts, the report itself, and a brief summary of its essential provisions, separately prepared and printed.

✻

Survey of the City Government of Atlantic City, New Jersey.—By the Detroit Bureau of Governmental Research. Detroit, November, 1929. 184 pp. (Mimeographed.) This survey was made by the Detroit Bureau for the Atlantic City Survey Commission and covers all aspects of the city government.

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Abstract of a Survey of the Purchasing and Stores Department, County of Los Angeles.—By Albert H. Hall, Schenectady Bureau of Municipal Research. New York, Municipal Administration Service, 1930. 8 pp. The survey of which this is an abstract was made by the Bureau of Efficiency of the County of Los Angeles in 1929. This abstract summarizes the more important provisions of this report, including the data on the cost of administering the purchasing system, and the savings effected since the department was established.

✻

A Survey of Health and Welfare Activities in Honolulu, Hawaii.—By Ira V. Hiscock. American Public Health Association, 1929. 160 pp. This survey covers all phases of health and welfare administration in Honolulu, from administrative organization to the various specialized activities, such as vital statistics, control and prevention of leprosy, tuberculosis, venereal diseases, maternal and infant hygiene, municipal sanitation, etc. Suggestions and recommendations for reorganization and the formulation of a future program are included.

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Standard Plumbing Code, State of New York. Albany, State Department of Health, 1929. 52 pp. This pamphlet comprises the sections of the state statutes which relate to plumbing, and a standard code for municipalities of New York State, recommended by the department of health.

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Unification of Railroad Freight Terminals.—By the Municipal Reference Division, Seattle Public Library. Seattle, January, 1930. 11 pp. (Mimeographed.) A bibliography of general and technical articles on the problem of unifying freight terminals, together with statements of the extent of such unification in 36 cities in the United States and Canada.

⁂

Proceedings, Fifteenth Convention, New Jersey State League of Municipalities.—Trenton, 1930. 89 pp. These are the proceedings of the 1929 convention of the New Jersey League, held at Atlantic City, September 26–27. Among the speakers whose addresses are reported are George B. Ford, Flavel Shurtleff, and Colonel S. P. Wetherill, Jr., on city planning; Harold S. Buttenheim and Frederic Bigelow, on zoning; and Colonel Arthur Woods, on crime prevention. Copies are obtainable from the headquarters of the New Jersey State League of Municipalities, at Trenton.

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Municipal Research Bulletin, Vol. 2.—By the Buffalo Municipal Research Bureau. Buffalo, 1930. This is a bound volume of the separate issues of the *Bulletin* which appeared during the year 1929. Each issue discusses some aspect of the governmental affairs of Buffalo, such as the division of water, the city hospital, the mayor's budget, etc.

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1929 Transactions of the National Safety Council.—Chicago, 1930. 325 pp. This volume is the proceedings of the Eighteenth Annual Safety Congress, held in Chicago, September 30–October 4, 1929, under the auspices of the National Safety Council. It includes a noteworthy symposium on traffic, which deals with practically all the important aspects of the problem.

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Survey of the Sheriff's Department of the County of Los Angeles, California, 1929.—By the Bureau of Budget and Efficiency of the County of Los Angeles. Los Angeles, 1929. 321 pp. (Mimeographed.) An excellent and thorough survey of the functions and administration of the sheriff's office in Los Angeles County.

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A Report on the Problem of Fire Waste and Insurance Rates in the City of Boston.—By the Mayor's Committee on Fire Insurance Rates. Boston, 1929. 319 pp. This report was prepared with the assistance of the Albert Russel Erskine Bureau of Traffic Research, Harvard University, and the Field Engineering Department, National Fire Protection Association. It includes an examination of fire insurance rates in Boston and their relation to fire hazards and losses. Fire hazards and fire prevention methods are carefully analyzed and fully discussed, and there are many recommendations for improvement in the building code, the administration of the fire department, and fire prevention. It is a most complete and thoroughgoing study of the entire problem.

JUDICIAL DECISIONS

EDITED BY C. W. TOOKE

Professor of Law, New York University

Initiative and Referendum—Validity of Act Determined by Declaratory Judgment.—In an original proceeding in *quo warranto* under the Declaratory Judgment Act of that state, the Supreme Court of Kansas on January 11 held that the commissioners in cities of the second class have power to grant a franchise only with the approval of a majority of the electors voting thereon at a general election or a special election called for the purpose by the mayor (*City of Manhattan* v. *United Power and Light Corporation*, reported *United States Daily*, February 13, 1930). The defendants contended that upon a petition signed by more than 40 per cent of the voters, requesting the passage of such an ordinance, the action of the commission would be final without a referendum.

The value of the action for a declaratory judgment, now authorized in many of the states, to determine the rights and relations of parties affected by an ordinance or a statute is well illustrated in the instant case. The judgment of the court does not carry with it damages in favor of the plaintiff, but simply declares whether the ordinance is valid or void and what if any are the rights of the defendant thereunder. Under the declaratory judgment acts many questions that formerly could not be litigated until after the interests of the public had been seriously affected may be settled promptly by a judicial declaration of the rights of the parties. We may look to a frequent use of this remedy in coming years.

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Special Assessments—Repayment of Moneys Collected upon Abandonment of Project.—In the October, 1929, issue we commented upon the decision of the Court of Appeals in the case of *District of Columbia* v. *Thompson*, 30 Fed. (2d) 476, in which the court upheld the right of the plaintiff to recover back moneys collected by the District in 1912 for the extension of a street, which project had recently been abandoned. The decision of the lower court was affirmed by the Supreme Court February 24 (reported *United States Daily*, March 1, 1930). The opinion, probably the last written by the late Justice Sanford, sustains the contentions of the plaintiff on all points.

The Court holds that the city stands in the position of a private person in holding money which in equity, good conscience or common honesty it has no right to retain. To the contention of the District that all its powers were statutory and no moneys could be paid out of the treasury without authorization of Congress, the Court replied that, under the circumstances here shown, no statute is required to impose upon a municipal corporation a legal obligation to make restitution. Continuing, the Court said:

> Here, although the Commissioners had been instructed by Congress to condemn the strip of land for the extension of Lamont Street, more than 14 years had elapsed during which the District had neither made this extension nor taken any step towards that end; it showed no obstacle which had prevented such extension; it had built a sidewalk and curb across the strip which constituted an obstruction to vehicular traffic; and it made no claim in its pleadings or proof that it desired or intended to make such extension at any future time.
>
> We think that these circumstances established, as a matter of reasonable and necessary inference, the fact that the District had abandoned the purpose of extending the street over the condemned strip; and that, this being so, for the reasons well stated in the Valentine case [*Valentine* v. *St. Paul*, 34 Minn. 446] the District was properly required to return to the plaintiff, as for failure of consideration, the amount of the assessment that she had paid, which it had retained contrary to equity and good conscience and held, by implication of law, as money had and received to her use. . . .
>
> Nor was the plaintiff's right of action barred by the statute of limitations of three years [District Code, section 1265.] The District contends that the plaintiff's claim accrued either when the verdict of the jury assessing benefits was confirmed in February, 1913, or when she paid the assessment in March, 1923. This contention entirely misconceives the nature of the plaintiff's cause of action, which is not based upon any illegality in the original assessment that would have given rise to any right of action when the benefits were either assessed or paid, but entirely upon the abandonment by the District of the proposed extension.

Streets and Highways—Power to Close Because of Danger to School Children.—The ever increasing urban vehicular traffic and the consequent danger to school children in going to and from their homes present one of the many current problems confronting municipal authorities. Obviously the most acute aspect of the condition is the congestion of the street immediately adjacent to the school building, and it was the alleviation of the danger at this point that brought into question the validity of an attempt to close such a street during certain hours on certain days during certain portions of the year (*Commissioners' Court of Harris County* v. *Kaiser*, 23 S. W. (2d) 840, decided by the Texas Court of Civ. App., Dec. 5, 1929). To this action of the county authorities the owners of property on the street objected on the ground that it deprived them of their property without compensation.

The question as to the right of a city to close a street because its use may be dangerous to children attending a public school situated thereon had previously been expressly denied in the case of *Stevens* v. *The City of Dublin* (Texas Civ. App., 169 S. W. 188, 1914). In that case the trustees of a school district threatened to close and fence off a part of the street so as to embrace it within the school grounds. It was held that the general power of a municipality to control, alter, widen, etc., and in the interest of public safety temporarily to close, a street did not authorize its permanent closing to the damage of an abutting owner. The decision was based upon the sole ground that neither the city nor the school district had been granted the power by any statute, the court expressly withholding any discussion as to the power of the legislature in such cases. This decision was deemed controlling in the instant case and especially upon the ground that the commissioners' court which was attempting to close the street was not invested with any general police power and that the unauthorized exercise of such power involved the taking of private property for public use without compensation.

That the owners of property abutting on a public street have such a property interest therein as will entitle them to compensation for the loss of ingress and egress because of the closing of the street is well settled. But limits upon the exercise of the police power in restricting the use of a street as against the property owners have not yet been precisely defined. What is conceived to be a proper exercise of such a power is illustrated by the ordinance of the City of New York which provides that (Code of Ordinances, c. 24, art. 3, sec. 37b):

> 1. Play streets, designated as such by constituted legal authority, are to be used, primarily, for children to play in;
>
> 2. All vehicles, such as motor cycles, passenger automobiles, automobile trucks, horse-driven wagons, or any other type of conveyance, are prohibited from using any street, designated as a play street, except as the requirements of the residents of the property abutting such play street may call for. (Added by ord. appd., April 13, 1925.)

The reservation incorporated in the above ordinance is a recognition of the rule that the legislature may not take away the rights of abutting owners without providing for compensation therefor (*Peace* v. *McAdoo*, 92 N. Y. Supp. 368). If a city owns the absolute fee in the street with the power to vacate it and the rights of abutting owners are not involved, it may close the street and dedicate the land to any other authorized use, such as a play ground or a park. Under such circumstances, the owners of adjacent lands not abutting on the part of the street vacated have no action to prevent the city from appropriating the land to the new purpose (*Lynchburg* v. *Peters*, 145 Va. 1, 133 S. E. 674).

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Streets and Highways—Impounding of Parked Vehicles.—The legality of a novel method for the enforcement of parking regulations was recently presented in the case of *M. L. Weiss, Inc.* v. *Whalen* (238 N. Y. S. 95, decided Dec. 2, 1929 by the Municipal Court of the City of New York). Under the charter provisions of the City of New York (Greater N. Y. Charter, sec. 315; Laws 1901, c. 466, as amended by Laws 1914, c. 455) and the Code of Ordinances (c. 24, sec. 42) the police commissioner has exclusive control over the vehicular traffic in the City of New York and may make appropriate rules in relation thereto.

In pursuance of this power the police commissioner promulgated regulations prohibiting or restricting the parking of vehicles on streets in specified congested areas during certain periods of the day. However, finding the usual method of prosecuting violators of the parking regulations ineffective to relieve promptly and adequately the congested condition of the streets, the police commissioner declared his intention to treat automobiles unlawfully parked as incumbrances and to invoke the provisions of the city ordinances (Code, c. 23, sec. 152, subd. 2) which authorizes the street cleaning department to remove such obstructions from the public streets.

The ordinance in question provided (subd. 3) for a judicial proceeding after such removal and vested an action in the street cleaning commissioner for the purpose of making disposition of the property which had been removed, and applying the proceeds of the sale after due notice to the owner. The owner however was permitted (subd. 4) the choice of redeeming his property without any judicial proceeding upon the payment by him of the sum not exceeding $10 to be fixed by the commissioner of street cleaning.

The plaintiff in the instant case left its automobile parked on a street in a restricted area for a period of time in excess of one hour in violation of the parking regulations. The police officer on post, who had this automobile under observation, notified the street cleaning department and the officials of that department removed the automobile as an incumbrance in the street. Subsequently the plaintiff paid the sum of $10 to the commissioner of street cleaning and recovered its automobile as permitted by the provisions of the ordinance referred to above.

The question as to the validity of this entire procedure was raised by the contention of the plaintiff that the $10 paid to the commissioner of street cleaning was paid under protest, "and that it was illegally collected, in that the said ordinance, by virtue of which the plaintiff was compelled to pay the said sum, is unconstitutional; that the action of the commissioner thereunder constitutes an illegal and unwarranted assumption of judicial power; and that the plaintiff has been deprived of its property without due process of law, in violation of both the state and federal Constitution."

The court, however, after pointing out that the mischief intended to be remedied by the ordinance was in the nature of a public nuisance the abatement of which by removal was a reasonable exercise of the police power, held that the proceeding outlined by the ordinance did not deprive plaintiff of a judicial hearing and hence violated none of his constitutional rights.

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City Planning—Control over Filing of Subdivision Maps and Dedication of Streets.—In *Village of Lynbrook* v. *Cadoo*, 169 N. E. 394, the Court of Appeals of New York upheld the right of the plaintiff to maintain an action for the cancellation of record of a map of a subdivision filed by the owner in the county clerk's office, without the approval of the planning board as required by the Village Law. The statute of 1926 authorizes any village to adopt a map as an official plan, which shall be final and conclusive as to street highways and parks. Section 179 m. of the statute provides:

> No plat of a subdivision of land showing a new street or highway shall be filed or recorded in the office of the county clerk or registrar until it has been approved by a planning board which has been empowered to approve such plats, and such approval be indorsed in writing on the plat in such manner as the planning board may designate. After such plat is approved and filed, subject, however, to review by court as hereinafter provided, the streets, highways and parks shown on such plat shall be and become a part of the official map or plan of the village. The owner of the land or his agent who files the plat may add as part of the plat a notation if he so desires to the effect that no offer of dedication of such streets, highways or parks or any of them is made to the public.

It did not appear that the village of Lynbrook had ever adopted a city map and filed a certificate of that fact with the clerk of Nassau County and it was contended that therefore the statute was inapplicable. The court held, however, that the inhibition against filing an unapproved subdivision plat was not dependent upon the precedent adoption of a village plan and that the legislative control over official maps is supreme. Inaction on the part of the village should not result in defeating the purpose of the legislature with regard to the filing of new plats. The court says that town planning is a new field of legislation, comparable with the recent development of zoning laws and regulations, that its purpose is to preserve a uniform and harmonious development of a village and that the act aims to prevent the individual owner from laying out streets according to his own sweet will without official approval. The village was therefore held entitled to a judgment requiring the county clerk to remove from and cancel of record the map which had been filed by Cadoo without the required approval.

It may be noted that apparently the effect of this decision is to make it impossible for any subdivision plat to be filed as an official map unless the village has acted to avail itself of the provisions of the statute and has adopted and filed a village plan map in the county clerk's office.

If this has been done, then such a private map may be filed, subject to the approval of the planning board. The action of the latter agency is directed to seeing that:

> The streets and highways shall be of sufficient width and suitably located to accommodate the prospective traffic and to afford adequate light, air and access of fire-fighting equipment to buildings, and to be coördinated so as to compose a convenient system; that the land shown on such plats shall be provided with proper sanitary and drainage conditions; and that the parks shall be of reasonable size for neighborhood playgrounds or other recreation uses. In making such determination regarding streets, highways and parks the planning board shall take into consideration the prospective character of the development, whether dense residence, open residence, business or industrial.

It is apparent that the power of the planning board, while discretionary, is necessarily limited by the requirement of reasonableness, which the law reads into the exercise of all powers conferred upon municipal corporations. We may assume that the courts of New York will apply the same rules as to this point as have been applied to a similar statute by the Supreme Judicial Court of Massachusetts. In *Lexington* v. *Surburban Land Co.*, 235 Mass. 108, 126 N. E. 260, the statute provided that:

> Any person or corporation desiring to lay out, locate or construct any street or way in any town which accepts the provisions of this act, . . . shall, before the beginning of such construction, submit to said board of survey suitable plans of such street or way, to be prepared in accordance with such rules and regulations as the board may prescribe.

The defendants offered a map for filing which was arbitrarily disapproved by the board of survey, which later caused signs to be erected on the property warning prospective purchasers against buying the lots and filed a bill for an injunction to restrain defendants from removing such signs. In holding that these acts were a direct invasion of the property rights of the petitioner the court said (p. 112):

> These allegations fail to show full performance of their statutory duty by the board. Their general power when plans are filed is, not to reject them, but if not satisfied with them to "alter such plans" and "determine" where the streets shall be located and "the width and grades thereof and shall so designate on said plans," and then approve and sign them as thus changed. No power is given to prevent the development of property merely because the board do not like the plans. They must not only point out their objections but indicate how the plans must be changed in order to meet their approval. The design of the statute is that, when a plan is presented by the landowner, if it is not in conformity to the statute and to reasonable rules and regulations, it shall be altered so as to be a proper plan and then, after approval, made a public record.

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Police Power—Classification of Cities for Taxicab Regulation.—Compulsory state-wide insurance of motor carriers has been sustained wherever such laws have been drawn in question. In *Chattanooga Dayton Bus Line* v. *Burney*, 23 S. W. (2d) 669, the Supreme Court of Tennessee upheld the statute which provides for compulsory insurance of all motor vehicles operated for hire over regular routes and between fixed termini in "counties having a population of more than 110,000 by the Federal Census of 1920, or any subsequent Federal Census."

It was urged before the court that the act was not a general law within the constitutional limitation and that its application was confined to the four most populous counties of the state. The court held, however, that the classification was proper, highway congestion and likelihood of accidents having a direct relation to density of population, and that therefore the special regulation in counties of dense population is within the police power and the statute a general law within the meaning of the state constitution.

PUBLIC UTILITIES

EDITED BY JOHN BAUER

Director, American Public Utilities Bureau

Proposed Changes in New York Public Service Commission Law.—And something has been accomplished! Even the cynical must admit that progress has been made, and that incessant kicking has led to constructive proposals in public utility regulation. Our faith in public intelligence has been spurred measurably.

A year ago, after long criticism of public utility regulation in this Department, and by public groups and individuals, especially after a rather sensational editorial drive by the New York *World* for an investigation of the breakdown of regulation in New York, the New York legislature created a special commission to investigate the workings of regulation and to report any changes that should be made in the public interest. We have referred to the work of this Revision Commission from time to time. On March 3 it made its report to the legislature, and we shall summarize the recommendations.

In the final report there was a division in the commission. The majority consisted of the six legislative members, and the minority of the three appointees by Governor Roosevelt.[1] The division, however, cannot be termed political, but rather conservative and progressive. There was substantial agreement upon conditions that exist, and mostly as to what fundamentally should be done. The majority, however, was more cautious in its proposals—but even if its principal recommendations are adopted into law, an almost hallelujah day for public policy will be at hand! But we shall wait with the shouting until the legislature has spoken.

LACK OF YARDSTICK

Throughout the public hearings, the chief topic before the commission was valuation and return. Apart from other considerations—such as inadequacy of staff, personal inclination of commissioners, over-emphasis on judicial attitude—the fundamental fact stood out clear that the basic defect in regulation has been the lack of definite yardstick for the measure of reasonable rates.

The editor of this Department was retained by the Revision Commission to make a survey of rate-making, particularly with regard to valuation and return. In one of his reports he included the following summary, which presents the inherent difficulties with which the public service commission has been struggling:

(a) The "fair value" upon which a company has had the right to receive a return has not been based upon a definite and coherent economic conception; has not been precisely defined; and has been dependent upon various elements, without exact basis of fact, and without fixed weight relative to each other. Hence, the determination of the amount has been subject to dispute both as to principles and facts; has aroused conflict of interest between the companies and the public; and has made procedure cumbersome and expensive. This condition has turned rate-making from an administrative process into a judicial proceeding, contrary to the purpose of the law and the proper function of the commission as an active administrative agency in the public interest.

(b) The amount of "fair value" has been, moreover, a variable quantity, subject to redetermination with changing prices and costs, and, in view of the numerous properties under the jurisdiction of the public service commission, the task of successive readjustments has been impossible of performance. Hence, neither increases nor reductions in rates could be effected promptly as reasonably required for the proper protection of the companies and the public.

(c) The companies have provided a large proportion of the capital invested in public service properties through the issuance of bonds, notes and other securities, which fix by contract the return received by the investors; and have provided a smaller proportion of capital through the issuance of common stock, which does not limit by contract the returns to the investors. Hence, as the "fair value" of an entire property has increased or decreased with changing prices and property costs, and as the rate of return has varied with changing conditions, there has been a disproportionate effect upon the return available for the common stock. This fact has caused financial instability among the companies, not only subjecting the securities to speculative forces, but stimulating excessive property expansions during periods of unduly increasing returns, and retarding new construction as reasonably needed during periods of unduly decreasing returns.

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[1] **The Senate members are: Hon. John Knight, chairman, William J. Hickey and Warren T. Thayer; Assembly members: Joseph A. McGinnies, Horace M. Stone and Russel G. Dunmore; Governor's appointees: Frank P. Walsh, James C. Bonbright and David C. Adie.**

(d) In dealing with public utilities, the law of the state has intended to assure the public reasonable rates, to provide the investors a fair and adequate return, to preserve financial stability among the companies, and to make available new capital funds as reasonably needed for the public service. These purposes have not been, and cannot be, reasonably achieved under the old system of control, because of the indefiniteness and variability of "fair value" and rate of return, and because of the prevailing financial structure of the companies.

FIXED RATE BASE AND RETURN

To meet this situation, I recommended that a fixed or nonvariable rate base be established which would be subject to accounting control and upon which a definite rate of return would be allowed under supervision of the public service commission. As to fixed rate base, a sharp distinction would be drawn between existing properties and future investments. For existing properties, initial valuations would be made on the basis of present conditions, fair to the companies and the public, with reasonable allowance for all factors, including original cost of the properties, reproduction cost, overheads, going value, depreciation, also the fact that the amounts once fixed would not be subject to future changes. The initial valuation for each company would be written permanently into the accounts, and to the amount would be added subsequently only additional investment, subject to accounting control by the public service commission.

Upon the initial valuation, a fair rate of return would be fixed, and this would not be subject to future change. For all additional investments, the actual cost of capital would be allowed. In this way, both the rate of return and the rate base would be definite quantities under exact accounting supervision. The rights of the investors and the obligations of the public would be definitely shown, and there would be no dispute in any adjustment of rates. Suitable provisions would be made for reserves to furnish maximum safeguard of the returns. If commercially feasible, rates would be fixed high enough to cover the full cost of service, including the stipulated returns. The plan would be mandatory under terms fixed by statute, under the administration of the public service commission.

With the coöperation of Professor James C. Bonbright of Columbia University, a member of the Revision Commission, I drafted a bill to carry the plan into explicit legislation. This was adopted by the minority of the Revision Commission—the three members appointed by Governor Roosevelt. The six legislative members agreed that a fixed rate base and return are essential for effective regulation, but, in fear of constitutional objections, they believe that the mandatory feature would not be upheld by the courts against future fluctuations in prices. They recommended, however, that initial valuations should be made virtually as proposed by me, and that limited term contracts between the state and the companies should be entered into, and to embody substantially the provisions included in the mandatory bill.

The difference between the majority and the minority is a matter of immediate expediency, but there was agreement as to fundamental requisites of effective rate control. The minority favors a positive legislative policy. It admits that a constitutional question may be raised, but believes that if the initial valuations are fairly made, and if the plan is then consistently carried out, it will stand judicial scrutiny because of its inherent reasonableness and because of its necessity on administrative and financial grounds. It believes that the majority proposal will prove futile. It can see no reason why an ordinary company should agree to valuations and limited returns, unless it can obtain returns beyond reasonable allowance. In the minority's judgment, if the public interest requires a fixed rate base and return, then this should be established as a matter of law, in full fairness to investors as well as consumers; then the state should be ready to defend the statute in the courts, if constitutional questions are raised. A timorous policy can hardly lead to progress in public policy.

CONTROL OVER HOLDING COMPANIES

Since the present system of regulation was established, there has been extensive growth of intercorporate relations and holding company arrangements. To a very large extent, local operating companies are owned by other companies, and are joined in far-flung systems whose control is outside of the state. The holding companies, with their various subordinate corporations, furnish managerial, engineering, accounting, legal and financial services to the state operating companies; often, also supplies, equipment and construction work.

These arrangements have underlying economic advantages, because of the available large-scale coördination and economy. But they escape jurisdiction and control of the state commission. Payment by the operating company is usually based upon contracts whose terms are fixed by the holding company, and whose effect, often, is not to reduce costs to the public, but to convey excessive profits under the guise of operating expenses charged to the local companies.

The Revision Commission recommends full control by the public service commission over all such inter-company relations. The bill drafted for the minority provides that all agreements between an operating company and a holding or affiliated corporation, shall require the approval of the public service commission before they become effective, and in granting its approval the commission shall fix as a condition that all payments by the operating company shall be based upon the actual cost to the holding company or affiliated corporation; that the commission shall have the right to examine the accounts and records of the holding company or affiliated corporation with respect to the actual cost and delivery of all services, materials, construction and equipment; and that the commission may reject or require the rescinding of any such contract if, upon investigation, it determines that the arrangements are not in the public interest.

The commission should also have the right to decide whether any given property shall be taken over directly or indirectly by a holding company. Every purchase of a property, every consolidation and reorganization, should require the approval of the commission, and should be allowed only upon a positive determination that the public interest would thus be served.

PEOPLE'S COUNSEL

In the original public service statutes, the underlying purpose was to make the commission the active agency of the state to protect and promote the public interest, but to deal fairly with the companies. In the course of years, however, chiefly as a result of the constant conflict in rate cases, the commission has been largely converted into a court. It holds hearings, receives evidence, and decides upon the record as made. The result is that the companies have their side presented fully and effectively, while the public side goes largely by default. The municipalities or consumers are seldom able to hire counsel and experts to present their case properly. Often, moreover, the companies succeed in keeping the municipalities out of active participation. The public for the most part has not had the protection which was expected under the statutes and which many people assume they possess.

The Revision Commission has given extensive consideration to this situation, and has recommended the institution of a special "people's counsel," whose duty would be to appear before the commission in rate cases, without any judicial responsibilities, but with the sole purpose of presenting the public side, and with the coöperation of the public service commission and its staff as to investigations to be made.

POSITIVE RESPONSIBILITIES

The mere creation of "people's counsel" might be viewed with some doubt as to advisability. It might increase the "judicial" consciousness of the commission, and leave to people's counsel the entire responsibility of representing the public. To avoid this result, the Revision Commission would place upon the public service commission more definite responsibility to the public than provided under present law. A special bureau of research would be created, whose duty it would be to inquire continuously into the larger phases of regulation as to policy and methods, without being involved in a special administrative routine in current cases and procedure. Recommendations were made for additional personnel, and for a revision of salaries, so that competent technical men would not be drawn away by greater financial rewards.

The minority, in its drafted bill, further stated that, inasmuch as utility companies are natural monopolies, they escape normal competition and forces which in other industries result in the advancement of economy and efficiency. To promote progress, therefore, the public service commission should carry on continuous investigations as to attainable improvements of plant, equipment and methods, and, by order or coöperation with the managements, require the companies to make all such changes as will result in greater efficiency and lower costs to the public. The commission should provide for annual or other periodical examinations of the companies' accounts, and exclude all excessive and extravagant costs and all profits to controlling or affiliated companies. It should require the companies to make such exchange or joint use of facilities or service as will avoid needless duplication and effect economical coördination of plant, equipment and operation. It should endeavor to bring about such mergers, consolidations and reorganizations of companies as would be in the public interest, because of reduction in costs and improvements in service; but not approve any merger, consolidation or reorganization unless it shall be determined to be in the public interest.

The object of both majority and minority is to make the commission a positive agent of the public, but, at the same time, to assure fair treatment for the companies. If the fixed rate base and return are adopted, either in mandatory or contractual form, the judicial character of the commission would virtually disappear, and it could serve directly in promoting efficiency and better service, without creating financial conflict with the companies, and, therefore, without raising judicial questions.

MUNICIPAL OWNERSHIP AND OPERATION

The majority declared that it had made no special study of municipal ownership and operation, and in the absence of complete inquiry no extension of municipal competition with private plants should be permitted, at least not until further attempt has been made to secure effective regulation. But counsel to the Revision Commission, Col. William J. Donovan, in his report pointed a warning finger, that unless the companies do accept effective regulation, the inevitable result must be public ownership and operation.

The minority proposed to grant immediately to the municipalities the full right to institute municipal ownership and operation. It provided also for the possibility of organizing public utility districts to include territory of more than one municipality. This grant is proposed as an additional stimulus to the companies to coöperate with the commission for progressive service and low rates.

RESTRAINING FEDERAL COURTS

One of the principal factors which has helped to break down regulation has been recourse by the companies to the federal courts in rate cases. If the public service commission has done a good job in a rate case, but if the company is dissatisfied, it goes directly to the federal court for an injunction, and thus escapes the jurisdiction of the state court. In the latter, the procedure would be by *certiorari* and *review*, so the record made before the commission would be examined and the propriety of the order would be judged accordingly. The company, however, has the choice of going to the state court or the federal court. Before the latter, a new record is made, usually before a special master, who ordinarily knows little or nothing of valuation and rate-making, and who has an inadequate conception of underlying public policy. The result is not only great waste of effort in the retrial of the facts, but reduced efficiency, poorer decisions, and disruption of state control.

This situation was canvassed thoroughly by the Revision Commission. It recommended that the legislature of the state attempt to obtain action from Congress to limit the jurisdiction of the lower federal courts with respect to intrastate utility cases; that such cases could be taken to the federal courts only after decision by the highest court of the state. In addition, the majority recommended, also, that legislation be enacted to enable the state to take advantage of Section 266 of the United States Judicial Code, providing for observance of comity by the federal courts, to hold back federal action during the pendency of a case in a state tribunal. There is difference of legal opinion as to whether this provision can be applied to public service commission orders.

TURNING POINT IN REGULATION

Notwithstanding the presentation of a majority and minority report, there was striking agreement within the commission upon fundamental points. This applies particularly to recognition of the fact that regulation has not furnished the public protection that was expected.

Whether the majority or minority view prevails before the legislature, the report of the Revision Commission is epoch-making. It furnishes the first comprehensive stock-taking of regulation since the statutes were enacted about twenty-five years ago.

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Dr. Maltbie Heads Public Service Commission.—As a climax of interest in the New York public utility situation, came the unexpected resignation of William A. Prendergast, chairman of the public service commission, effective February 28, 1930. This followed upon repeated criticisms leveled against Mr. Prendergast that he was "corporation-minded," and particularly that he leaned unduly to some companies. He was charged with being chiefly responsible for the ascendancy of the "judicial" view of the commission, as against the public defender idea. Mr. Prendergast's retirement came in connection with the clash of these functions.

The New York Telephone rate case had just been decided by the federal court against the rates previously fixed by the public service commission. The company attempted to put in a new set of rates without the formal filing required by the state law. Sharp differences of opinion arose as to the powers and duties of the commission; the entire state was agitated, and Governor Roosevelt took the leadership in opposition to the company's action. He desired to have the public service commission take a vigorous public-defender position. Mr. Prendergast viewed the commission's responsibility as judicial, and, therefore, resigned, to give opportunity to appoint someone whose ideas are in harmony with the governor's.

Among numerous names urged upon the governor, the selection fell upon Dr. Milo R. Maltbie. This appointment comes up to the high standard that Governor Roosevelt had announced. Dr. Maltbie was appointed originally to the public service commission, first district, by Governor Hughes. His work as commissioner was outstanding. He should never have been permitted to leave the commission. But when his term expired, he was not reappointed by Governor Whitman. Since leaving the commission, he has devoted himself wholly to the public side in utility matters. He has assisted municipalities and public groups in all parts of the country. He is an authority on valuation, rates and public policy with respect to utilities. He is just and fearless, and his views harmonize with the governor's,—that the commission should stand as the active protector and promoter of the public interest. His appointment fits exceptionally into the present situation, when comprehensive revision of the system of regulation is in prospect.

MUNICIPAL ACTIVITIES ABROAD

EDITED BY ROWLAND A. EGGER

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The Anti-Tuberculosis Campaign in Belgium.—The public authorities of the kingdom of Belgium have for some years been engaged in a program designed to reduce the mortality index of tuberculosis in that country. Dr. René Sand presents in the January issue of *Le Mouvement Communal* a retrospective analysis of the accomplishments of Beligum in this connection, and a delineation of the aspects in which the war against tuberculosis seems ineffective. Concretely, the results of the campaign to date may be summarized as follows:

1. The establishment of approximately 100 dispensaries, for the non-institutional treatment of tuberculosis.
2. Nineteen public sanatoriums for pulmonary tuberculosis in Belgium and two in Switzerland, having a total capacity of over 2,000 resident patients.
3. A considerable number of institutions for preventative treatment and colonies, particularly for the children of tubercular parents.
4. Six ship hospitals for tubercular children.

Dr. Sand considers the efforts of the authorities and the workers in the anti-tuberculosis organizations circumscribed by the following factors:

1. Insufficiency of resources of *l'Œuvre Nationale Belge contre la Tuberculose.* The result of this is the non-institutional treatment of many tuberculars, whose ailments are consequently checked and delayed rather than cured. The failure of the communes adequately to aid the tuberculosis hospitals in a financial way has necessitated the discharge of patients in many instances after only three months' treatment; in this manner, the good which the hospitals are able to effect is dissipated by too early return to labor.
2. Inadequacy of the number of sanatoriums. The mortality from tuberculosis in Belgium is approximately 5,500 persons each year. The maximum provision of public care for persons in advanced stages of the disease is less than 3,000 patients. As a result, the public hospitals are always hopelessly congested, and the treatment of those admitted is unavoidably less thorough and careful. In this connection, the difficulty of recruiting adequate numbers of trained technicians—doctors, subalterns, nurses, dietitians, etc.—has appreciably complicated the difficulties of the Society.
3. Insufficient number of preventoriums. Even though *l'Œuvre Nationale de l'Enfance* has assisted materially in the prevention of tubercular infection of children by diseased parents, facilities are inadequate to check the spread of the disease in this senseless fashion.
4. The entire lack of ship hospitals for adults afflicted with tuberculosis of the throat.
5. Lack of colonies for extended convalescence and readaptation of tuberculars, and of sanatoriums for chronic and incurable cases.

The hopeless difficulties imposed by post-war reconstruction have indeed deluged the health authorities and public health societies of Belgium under almost insurmountable problems. They are complicated by the necessities of housing and industrial rehabilitation, and by the severe loss of man-power which the nation sustained in the war. There is more than a passing probability that Belgium will not be able to meet this problem without a substantial increase of assistance afforded by foreign sources.—*Le Mouvement Communal,* January, 1930.

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Open Spaces in Metropolitan Areas.—An already abnormally high and steadily rising tuberculosis rate in the city of Buenos Aires has given rise to a belated investigation of public facilities for open-air exercise and recreation in the greatest of the South American cities. In a memorandum by Dr. A. A. Raimondi, director of the Tornú Hospital and chief of the tuberculosis health work of the Argentine capital, it was indicated that almost 15 per cent of the deaths in Buenos Aires are resultant from tuberculosis. There are over 3,600 cases known to the health authorities in the city. He is convinced, further, that little can be done to alleviate this condition in the absence of adequate parks, plazas, and open spaces within the city, convenient to the uses of the poorer classes. Dikansky has noted the same general conclusion in his study of populous French cities.[1]

The following table is roughly indicative of public provision of parks and open spaces in the leading world capitals:

Number of inhabitants per hectare[2] of public open space.

Los Angeles	64
Boston	94
Washington	206
San Francisco	214
Vienna	410
Saint Louis	575
Detroit	663
Philadelphia	799
Baltimore	872
New York	943
Berlin	950
New Orleans	1,000
London	1,000
Chicago	1,210
Paris	1,354
Buenos Aires	2,631

Of course, simple acreage is of little significance in determining the adequacy of public open spaces generally, and is of even less importance in the judgment of the availability of open spaces for health purposes. Thus, Berlin, having a system of public parks and *sportplätze* which provides available spaces and facilities near the dwellings and working places of her poorer classes, is doubtless much better off with an index of 950 than St. Louis with 575. Generally speaking, however, the basis of computation utilized, indicative as it is only of gross totals, is a fair indication of public consciousness regarding the necessity of public parks in our modern "seas of stone," as they are characterized by Dr. Böss.

A program of expansion has been suggested, and doubtless will find realization as the result of this study, which proposes to expand the present total park area of Buenos Aires of 857 hectares to a minimum of 2,481. This minimum will make 14 per cent of the total superficial area open spaces, governmentally provided. Intelligently systematized and located, this should be adequate; the proportion in Berlin is slightly less than 15 per cent. —*Revista Argentina de Derecho Municipal y Administración Comunal.*

The Housing Problem in German *Grossstädten.*—The decade since Weimar has witnessed acute development in the housing problem of Germany's metropolitan regions. The following table, compiled by *Stadtoberamtmann* Dr. Friedrich of Nürnberg, indicates the general growth of housing facilities in the 23 largest cities of the Republic.

The increase in dwellings on 23 German cities of over 200,000 population from January, 1924, to June, 1929:

City	*Total Increase*	*Per 10,000 Population*
Berlin	73,960	184
Hamburg	26,772	248
Köln a. Rh.	17,937	257
München	14,338	211
Leipzig	10,579	156
Dresden	14,726	238
Breslau	10,842	189
Essen	8,678	185
Frankfurt a. M.	10,828	234
Düsseldorf	11,493	267
Hannover	10,182	241
Nürnberg	7,799	199
Stuttgart	8,020	235
Chemnitz	5,390	163
Dortmund	5,617	175
Gelsenkirchen-Buer	4,345	142
Bremen	8,526	289
Magdeburg	5,264	180
Königsberg i. Pr.	6,903	247
Duisburg	8,951	329
Stettin	4,566	180
Mannheim	7,463	302
Kiel	2,804	131

The arithmetical norm of increase is 230 dwellings per 10,000 population. Balanced against statistics of net population increase, marriages, internal immigration from the outlying regions, etc., the accretions are found in a number of specific instances to be entirely inadequate. From this it follows that in certain of the metropolitan regions considerable overcrowding exists; particularly among the lower classes has this been found true in specific sociological investigations.

The hardships incident to the decline and revaluation of the mark have been very largely adjusted. Today, the rental figure normally is 120 per cent of the gold rent in 1914. Upon this amount the state levels a special rentals tax, varying among the states from 12 to about 48 per cent. The proceeds of this tax are utilized for the construction of public housing facilities. As a result of this program and the construction of public facilities incident to it, the actual physical shortage, as well as the shortage due to rental readjustment, has been largely eliminated in all except the larger cities studied.

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[1] *La Ville Moderne.*

[2] An hectare is approximately 2.47 acres.

Dr. Friedrich is optimistic concerning the capacity of the municipalities, with the coöperation which the state is offering at the present time, in the course of a few years effectively to eliminate the more undesirable aspects of the housing crisis. He insists, however, that with present restrictions upon the basis of municipal taxation, the state must increasingly devote its attention and resources to the solution of the housing crisis in the metropolitan areas, believing that the moderate-sized cities are better able to cope with their own problems without considerable central aid than the industrial regions in which the shortage exists with marked acuteness. —*Zeitschrift für Kommunalwirtschaft*, February 10, 1930.

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Refuse Disposal in Paris.—The French Government is making an appreciable contribution to the early liquidation of her foreign obligations by way of certain economies in refuse disposal currently practiced in the Parisian region. Every morning about 700 motor-trucks traverse the city collecting the daily refuse supply. Four disposal plants are in operation at Saint-Ouen, Romainville, Issy-les-Moulineaux, and Ivry-sur-Seine. The refuse is tipped upon a traveling belt over which operate low-speed gangs of sorters, which remove articles such as bones, rags, paper, metals, glass, broken articles, springs wire, etc. This is all sold—the bones for lampblack, the paper for new editions of *Le Rire* and *La Vie Parisienne*, and the metals for recasting. Only household refuse now remains.

The solider portions of this are then removed, dumped into carts, and distributed for use as fertilizer. It is most extensively employed in the adjacent market-garden district of d'Eragny-Saint-Ouen-L'Aumone-Pontoise. The solider portion of the remainder is then placed in crushing mills, where it is pressed into small pieces, known as powdered refuse. The product is an excellent natural manure, having a content per metric ton of about 5 kgm. of nitrogen, 4 of phosphoric acid, 2 of potash, and 50 of lime. This, of course, varies according to the season; summer refuse contains much fresh vegetable matter, while winter refuse has a preponderance of ash.

The remainder of the refuse is then treated in Brechiot furnaces. The steam pressure created in the process of dehydration is utilized in the motivation of steam turbines which supply electricity to the surrounding area. The clinker formed by the dehydration is broken into small bits, to which are added 200 grams of hydraulic lime per brick. After molding and drying in the autoclave, a grey, glazed, building brick, with a weight of 2 to 2.2 kilograms and a crushing strength of 190 kgm. per square centimetre, is the final product.—*L'Echo des Communes*, October, 1929.

*

Legislation Against Atmospheric Contamination in France.—The French Parliament is at the present time considering legislation looking toward an appreciable alleviation of the smoke nuisances which mark many of the urban areas of the republic. The project is expected to cover the following points:

1. Nuisances created by domestic emissions. While the outright abolition of anthracite as a domestic fuel in urban areas is not contemplated, the law is expected in some manner as yet unknown to encourage in these regions the use of trenthracite, coke, semi-coke, gas and electricity. The manufacture of synthetic combustibles has progressed in remarkable fashion in France during recent decades. It is thought that the domestic problem may be susceptible to appreciable suppression by these means.

2. Railways and railway shops. The development of railway electrification, which has received considerable encouragement from the government, is expected to assist in the elimination of this nuisance. In addition, the project seeks to establish absolute maximums of emission from the railway plants. Compulsory electrification in larger urban regions in not unlikely in the near future, although not a part of the present law. Railways will be left to their own devices in suppressing contamination within the absolute limits imposed by the administrative authorities under color of the proposal.

3. Industrial areas. Fume suppression in industrial regions likewise will be regulated by the imposition of absolute maximums of contamination, but the government also proposes, in conjunction with various industrial associa-

tions, to assist in the discovery of more scientific methods of purification than are now available. The administrative organization is designed to be along the lines of inspection utilized in England and the United States at the present time.

The law of 1916, permitting the classification and regulation of certain types of establishments emitting toxic and odorous gases, is inadequate in that it does not provide bases for judgment and the imposition of penalties. From the heterogeneous character of cases arising under the law, actual detailed codal regulation is exceedingly difficult. The extreme penalties in the project passed by the Deputies doubtless will be subject to liberal alteration by the Senate, on account of pressure from the industrial interests, prior to enactment into law. It is questionable whether it is advisable to predetermine standards of contamination and penalties in statutory enactments, further than to delineate, in broad outlines, the policy of the legislature in such matters.

Paris, under a statute of 1898, has been able to effect some industrial regulation of such nuisances. A revision of the law under which the city operates is designed to eliminate certain of the administrative difficulties under which the municipality has been operating by giving the prefect of police broader powers of inspection, and authority to require the coöperation of industrial establishments likely to emit noxious fumes. It is thought that with rational consideration the problem will be eliminated by the industrialists without recourse to coercive measures.—*Le Mouvement Communal,* January, 1930.

GOVERNMENTAL RESEARCH ASSOCIATION NOTES

EDITED BY RUSSELL FORBES

Secretary

Recent Reports of Research Agencies.—The following reports have been received at the central library of the Association since February 1, 1930:

Buffalo Municipal Research Bureau, Inc.:
- *The Municipal Research Bulletin, Volume 2 (A bound volume of separate issues of the bulletin).*

Detroit Bureau of Governmental Research:
- *Survey of the City Government of Atlantic City, N. J.*

Bureau of Efficiency of the County of Los Angeles:
- *Survey of the Sheriff's Department of the County of Los Angeles, California.*

Bureau of Municipal Research of Philadelphia:
- *History and Functions of the Municipal Court of Philadelphia.*

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Tokyo Institute for Municipal Research.—The National Institute of Public Administration has received a collection of 49 reports in Japanese from the Tokyo Institute for Municipal Research. The English titles of the reports show that the governmental problems of Tokyo closely parallel our problems. The following reports show the use which is being made in the Orient of the principles of government devised in this country:

The Commission and City Manager Governments
Municipal Research Work in America
Public Health Administration in American Cities
City School System in America
Modern City Planning by Thomas Adams
Excess Condemnation
Principles of Land Assessment in Cleveland, Ohio
Special Assessments

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California Taxpayers' Association.—The Association has completed a study of the general fund of the state government of California. The general fund is not restricted in the purposes for which the money can be spent but can be used for any state service, such as legislative, judicial or administrative. The findings of the Association with regard to this fund are as follows:

No financial crisis is impending in California's state finances. No new forms of taxation or new sources of revenue need be devised for California unless extravagant spending occurs.

The state government will nearly balance its budget during the current biennium, even though changes in the tax rates were originally expected to reduce the income seriously. The over-run in the budget for the biennium will be but approximately 1.7 per cent of all the authorized expenditures from the general fund.

⁂

Des Moines Bureau of Municipal Research.—The Bureau has completed a comprehensive analysis of the Polk County government. The analysis reveals the following defects: Lack of central financial and administrative authority; too short terms for county officials; absence of definite objectives in county government and measuring sticks for efficient administration; poor-relief jumble; fee and perquisite system, particularly involving sheriff's and county attorney's offices; and certain archaic business practices in county government, such as cumbersome, long-hand method of enrolling taxes and assessments, decentralized purchasing by numerous officials and buying in small lots, absence of inventory accounts, and too prolonged court vacations in summer.

On the other hand, the following improvements in local county government have been made in the past few years: Installation of photographic recording of documents in recorder's office; county highway patrol instituted by sheriff; facilitating issuing of auto licenses by pre-writing of cards by county treasurer; installation of county budget; opening up of purchases to competitive bidding; marked reduction in payrolls and other county expense in 1929; and reduced voting-machine insurance and placing it on a businesslike basis.

The Bureau has also made the following reports and investigations: Future reductions of city bonds; tax rates of Iowa cities; dance hall licenses; cumbersome long-hand assessment and tax enrollment; and proposed state income tax.

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Bureau of Budget and Efficiency, City of Los Angeles.—The Bureau has recently completed its study of the police and fire departments, which has been under way for twelve months. Comparative data from various large cities were compiled as regards expenditures, personnel and equipment. Each police district was studied intensively. Other subjects studied were the training of policemen, the functions of policewomen, and the need for a new jail and police administration building for the city.

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The National Institute of Public Administration.—The Institute has recently undertaken surveys of the governments of the states of Arkansas and Maine and the city of Williamsburg, Virginia.

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The Ohio Institute.—R. E. Miles, director, has been made a member of the governor's advisory committee on taxation, and vice-chairman of its subcommittee on research. It is expected that somewhat extended studies will be made in anticipation of the next legislative session. The constitutional amendment eliminating the so-called uniform rule, adopted in November, 1929, and effective on January 1, 1931, for the first time will permit fundamental changes to be made in Ohio's taxation system. The Institute will coöperate actively with the governor's committee in its studies.

The Institute has also made a study of election administration in Dayton on behalf of the Dayton Research Association, and is participating in the work of an advisory committee appointed by the secretary of state to formulate plans under recent legislation for the application of permanent registration of voters.

An unpublished report on male prisoners in Ohio penal institutions was submitted to the state department of public welfare.

Special coöperation with chiefs of police and the state bureau of identification resulted in securing uniform crime statistics for January from the police departments of forty of the fifty Ohio cities having over 10,000 population.

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The Thomas Skelton Harrison Foundation, Philadelphia.—The Foundation has just published a report of a study made by the Philadelphia Bureau of Municipal Research entitled *History and Functions of the Municipal Court of Philadelphia.* This is the first of a series of publications in which it is planned to set forth the results of the survey which the Bureau began in 1925 at the request of the Hon. Raymond MacNeille, then president judge of the municipal court, and which the Harrison Foundation has financed.

Philadelphia's municipal court is a large and diverse organization, and the survey is a large survey. It was realized when the survey was planned that it should include a section, serving as an introduction to the court as a whole, which would give something of the history of the court, describe its organization, and discuss the various kinds of jurisdiction exercised by it. With this introduction, the other parts of the survey, dealing with particular activities and with particular organization units, might be seen in better perspective. The report now published is such an introduction to the court and to the survey. Other parts of the survey appraise the work of the court and offer suggestions where improvement is deemed possible.

The report on history and functions was written by Clarence O. Shenton, of the Philadelphia Bar, director of the Thomas Skelton Harrison Foundation, and assistant director of the Bureau of Municipal Research of Philadelphia. Copies of the report are available for free distribution upon application to the Bureau of Municipal Research, 311 South Juniper Street, Philadelphia.

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Schenectady Bureau of Municipal Research.—The Chamber of Commerce and the Bureau will be associated in the distribution of the printed copies of the Long-Term Financial Program which came from the press at the end of March. The city government has ordered 1,000 volumes and the Chamber of Commerce and the Bureau will distribute 1,400. Copies may be obtained by writing to the City Clerk, Schenectady, N. Y. The Bureau plans to inaugurate an intensive campaign, with the support of other civic agencies including the Chamber of Commerce, to have the common council approve the plan officially and to appoint a permanent capital budget commission to supervise it.

It is planned to issue a bulletin showing the per capita expenditures for New York state cities in Schenectady's population class. Union College students, who spend one afternoon a week in the Bureau offices, are engaged in compiling this information.

As a result of the suggestion made in the Bureau's survey of civil service administration, the local civil service commission is engaged in a thoroughgoing revision of its rules. Members of the commission have held conferences with the Bureau concerning the preparation of the regulations and it is expected that the new rules will be of great assistance in the local personnel situation.

The Bureau has been meeting with county officials to discuss a proposed bond issue. The county plans to construct an extensive highway system and to retire the principal of the bonds from motor vehicle and gasoline tax moneys received from the state. The whole matter is being studied by the Bureau and a report will be rendered to members shortly.

NOTES AND EVENTS

EDITED BY H. W. DODDS

Manager Ham Resigns.—Resignation of Clifford W. Ham, president of the International City Managers' Association, as city manager of Pontiac, Mich., has little significance so far as the manager movement itself is concerned.

Pontiac is a manufacturing town which has grown rapidly, is lacking in stability, and is now suffering from the economic depression in the automobile industry. It has, therefore, been easy for several malcontents of the radical type to start a movement critical of the government. This culminated in the signing of recall petitions and in an overwhelming vote for a recall of the commission. The commission must now either resign or stand election against the opposition candidates.

In bringing about this situation the opposition seized upon isolated issues that may or may not have had any basis in truth. For instance, the assessment of certain parcels of property was criticized. It appears, however, that Ham had nothing to do with this branch of the government since the city assessor is appointed by the city commission.

In a period of unemployment it was easy to find plenty of people who thought the poor were being discriminated against in favor of the rich. The city manager, however, while running the gauntlet of criticism, was not forced to resign. In the midst of it all, he was offered a position as president of one of the local banks and accepted.

LENT D. UPSON.

*

Dublin Council to Be Restored in New City Manager Plan.—The Lord Mayor and Corporation of Dublin, which the Free State Government suppressed some years ago, replacing them by paid commisioners, are to be restored under the Local Government (Dublin) Bill commonly called the Greater Dublin Bill, the text of which has just been issued. This bill follows in the main the Cork City Management Act of last year.

The new city council will be much less numerous than the old, consisting of only 25 members. There will also be a city manager, who will be appointed by the local appointments commissioners, the body which now makes all local appointments in the Free State under a competitive system.

The area of the city is to be extended by including the urban districts of Pembroke, Rathmines, and Rathgar and certain rural areas.

A novel feature of the bill is the reservation of four seats on the Greater Dublin Council for what are to be known as "commercial members." These will be elected upon a separate register which will include every individual partnership, unincorporated association, and corporate body, who or which is for the time being the rated occupier of any premises valued under the Valuation Acts at not less than £20.

These commercial individuals or bodies may be registered in respect of two or more premises. The number of votes which a commercial elector may exercise is fixed according to the valuation of the premises on the following scale:

Valuation, or aggregate valuations, less than £50, one vote; less than £100, two votes; £150, three votes; £200, four votes; £250, five votes; over £250, six votes.

Voting is to be by the proportional representation system.

Some friction has taken place between the new Cork City council and the city manager. The manager had a dispute with the local Trades Union concerning building methods, in consequence of which a strike took place and the city manager thereupon stopped the pensions of the City Councils Trade Union employees, an action which was both tactless and unjust. Public opinion, however, compelled him to restore the pensions which had been taken away. Certain members of the council are seeking to make this incident a pretext for enlarging their powers, but a great majority of the citizens have no desire to return to the former condition of affairs. The action of the government in applying the Cork City scheme to Dublin proves that they consider it to be a success.

JOHN T. HORGAN.

Cork, Ireland.

*

Attempt to Nominate a Really Nonpartisan Candidate Fails in Kansas City, Mo.—Kansas

City is the one city in the country with a city manager charter which is wholly and unblushingly controlled by old-line politicians. The manager, Mr. McElroy, was chosen because he is a partisan, and a major consideration in his appointments has been party politics. Though a nonpartisan ballot is used both at the elimination primary and the final election, heretofore no candidates have appeared except those picked by the rival political machines and their factions.

The Citizens' Union was created in the spring of 1929 to organize nonpartisan sentiment, using the slogan, "Give the Charter a Chance." Two days before March 4, the last day for filing nominating petitions, it had to admit that it could not present a ticket, that the support it had expected to get from religious leaders, men's brotherhoods, business men, and newspapers had not materialized. The sole hope for success of the nonpartisan principle lay in Jerome G. Galvin, whose candidacy as councilman from the fourth district was sponsored by an improvement association. The organization secretary of the Citizens' Union was sent to the district to aid the Galvin Club. For the first time a district candidate circulated leaflets setting forth his nonpartisan platform. In the three weeks preceding the election, "fireside meetings" were held nightly in the homes in the district; a small group of women did house-to-house canvassing, boy scouts gave their help, and an active publicity committee secured more newspaper space than any other councilmanic candidate in the city.

It was realized that it would be a harder task to get the votes counted for Galvin than to get them cast and great efforts were made to secure an honest count. But the election machinery of Missouri is by law definitely under the control of partisans. The election commissioners insisted they had no power to grant watchers of the count to a nonpartisan candidate. The opinion of L. A. Laughlin, an attorney, expert in election law, was to the contrary but could not prevail. The governor was telegraphed, but this, too, proved futile. Later the commissioners offered to appoint special deputy commissioners, but they would be obliged to serve without relief from six in the morning until the completion of the count, a stretch of at least sixteen hours. At the last minute these deputies were allowed to serve at their convenience. This delay in securing such rights prevented the use of them in any adequate manner. Sixty deputies were sworn in and sixty-five precincts had to be left uncovered. The primary, therefore, presented the situation of a truly nonpartisan candidate seeking office under a city charter nonpartisan in theory but possessing practically no rights or protection in the election law. It is no wonder therefore that Mr. Galvin came out fourth in the count in spite of his popularity.

The future action on the part of those interested in nonpartisanship remains in doubt. Whether a new group must arise to lead and organize the movement, whether a reorganization of the Citizens' Union is necessary, or whether that organization can still act as the crystallizing point for the feeling which undoubtedly exists is a question that only the future can solve.

D. I. Cline.

⁂

Corrections in Comparative Tax Table.—*Editor*, National Municipal Review:

With reference to the comparative tax rates published in the December (1929) Review, our attention has been called to several corrections which should be made, and which I hope you will find it possible to publish in an early number. These corrections are as follows:

Seattle (20th City). The estimated ratio of assessed value to legal basis should read 68 per cent, instead of 48 per cent; and the final readjusted tax rate $25.85, instead of $18.23.

Oakland (30th City). The legal basis of assessment should be 100 per cent; adjusted uniform 100 per cent tax rate, $59.60; estimated ratio of assessed value to legal basis, 50 per cent; and the final readjusted rate unchanged.

Tacoma (80th City). The legal basis of assessment should read 50 per cent instead of 100 per cent; the adjusted tax rate to uniform basis, $40.07, instead of $80.14; the estimated ratio of assessed value to legal basis, 88 per cent instead of 50 per cent; and the final readjusted tax rate, $35.26, instead of $40.07.

Berkeley (31st City). The estimated ratio of assessed value to legal basis should be 44 per cent, instead of 60 per cent as reported; the readjusted tax rate should be $23.87, instead of $32.22. This correction is due to the fact that there are two separate assessments, the one used for city tax being upon a 55 per cent ratio, and that used for school and county levies being upon a 40 per cent ratio.

Criticism has been received also of the estimated ratio of assessed value to the legal basis, and the resulting "readjusted tax rate," for several cities.

Pittsburgh (10th City) authorities state that 65 per cent is more nearly correct than the 85 per cent reported, giving a readjusted tax rate of $24.51, instead of $32.05. It should be noted, too, for Pittsburgh that land constituted $573,850,000, or 50.7 per cent, of the total valuation reported; and that the tax rate on land, for city purposes, is $25.

Denver (28th City) reports an estimated ratio of assessed to legal basis of 75 per cent, resulting in a readjusted rate of $24.15.

Providence (29th City) reports an estimated ratio of assessed to legal basis of 75 per cent, resulting in a readjusted rate of $17.62.

New Haven (42nd City) reports an estimated ratio of assessed value to legal basis of 85 per cent, resulting in a readjusted tax rate of $20.40.

Question has been raised as to the correctness of the "legal basis of assessment" of 100 per cent in the case of all California cities, and 50 per cent for all Washington cities, due to the fact that the state boards of equalization in both states work out each year a ratio for all counties to be applied by all local taxing districts. This fact will require consideration in any subsequent tax rate compilation.

Suffice it to state that some of the foregoing corrections indicate a lively desire, upon the part of public officials and citizen agencies, to have the estimated tax burden as accurately reported as possible—an objective the compilers are glad to promote.

C. E. Rightor.

*

California Governor Appoints Commission to Study County Home Rule.—Governor C. C. Young of California has appointed a commission to study home rule and local autonomy in county government for the purpose of devising a scheme by which the legislature will be relieved from many matters of strictly local concern. This commission was created by the recent legislature and is to work in a way parallel to the commission on the proposed new constitution. The latter is to recommend to the people the advisability of revising or making a new constitution for the state, to be acted upon in November. The county commission is to report at the next session of the legislature.

The Governor has named on this commission R. W. Blackburn, president of the California Farm Bureau Federation; Thomas M. Carlson attorney and former legislator; Edwin A. Cottrell, professor of political science at Stanford University; Jonathon S. Dodge, former chairman, Board of Supervisors of Los Angeles County; John N. Edy, city manager of Berkeley; William C. Jerome, auditor of Orange County; William J. Locke, secretary of the League of California Municipalities; Samuel C. May, associate professor of political science in the University of California; and Frank J. McCoy, county planning commissioner, Santa Barbara County. The commission organized on February 22 at Sacramento.

Edwin A. Cottrell.

*

New Jersey Considering New Planning Law.—A carefully drafted city planning law is now before the New Jersey legislature. It provides for the adoption of a master plan by the governing body of any municipality, which is to be official and conclusive with respect to the streets, highways, parkways, parks, and playgrounds. Changes in the official map contrary to the recommendations of the planning board can be adopted only by the affirmative vote of at least two-thirds of the governing body.

Platting control is also made more stringent. No plat can be accepted for filing until after approval by the planning board, if it has been empowered to approve such plats, or by the municipal governing body. When approved, a plat becomes a part of the master plan. Sale of lots in unapproved subdivisions is forbidden, and the transfer of lots by metes and bounds is prohibited except under the same conditions as are imposed on platted lands. Future streets are protected by the requirement that no permit shall be issued for a building in the bed of a mapped street unless the owner can show that his property will not yield a reasonable return if no permit so to build is granted. Reasonable requirements designed to promote the public welfare may be imposed as a condition of granting such a permit.

*

Citizens' Committee Reviews Detroit's Budget.—According to "Just a Minute," the leaflet issued weekly by the Detroit Bureau of Governmental Research, a committee appointed by Ralph Stone at the request of the city council to review the municipal budget estimates for 1930 and 1931 has reported in favor of the principle of no increase in the net tax budget although it recognizes that certain mandatory charges, involving no addition to public services but increasing the budget between seven and nine million dollars, must be met. Measures which would eventually result in increased taxation were vetoed until such a time as the council should approve a long-term financial program. Fundamentally, the financial condition of the city is sound, with good budget and accounting systems, but the rapid increase in city expenses is said to bear heavily on property-owners and to be evidenced by increasing delinquency in tax-paying.

The committee is composed of the presidents of a number of large business organizations, and represents a cross-section of the heavy tax-paying interests. It will continue its activities by preparing a long-term financial program for the city.

*

Metropolitan Government Proposed for Boston Area.—Boston continues to agitate for some change in the government of the metropolitan district. In his inaugural address, opening his third term as chief executive of Boston, Mayor Curley pointed out that last year the city was required to pay the sum of approximately $4,500,000 as its share of the cost of metropolitan activities conducted under state control. He complains that the cities and towns comprising the metropolitan district have no direct voice in expenditures, and that Boston is practically without representation on the membership of the commissions, although the city bears the major portion of costs.

After reference to the spirit of local autonomy and the analogy of the London County Council, Mayor Curley suggests consideration of the borough system for Boston. He favors the appointment of a committee to investigate the feasibility of a metropolitan governmental district, fashioned along the lines of the London County Council. He is firmly of the opinion that only through the united action of the municipalities within the metropolitan area is worthwhile progress possible.

*

The Ohio Governor's Taxation Committee.—After the adoption of an important taxation amendment to the Ohio constitution, in November, the governor named a committee to aid in formulating plans for tax revision. The amendment, effective January 1, 1931, will eliminate the "uniform rule" of property taxation, so far as it concerns personal property; and, with exceptions mainly of transitional character, it will fix 15 mills per dollar as the maximum total property tax rate possible without vote.

The group named consists of about 125 members, representing various economic groups and localities. The committee has set up a general administrative subcommittee and numerous other subcommittees. Some of these are frankly based upon economic interests, such as agriculture, banks, labor, manufacturers, and public utilities. Others, made up of diverse interests, are to foster investigations, regarding, e.g., taxation of personal property and alternatives thereto, business taxes, assessment of real property, etc. A research subcommittee is to direct and coördinate investigations.

The committee, established without funds, is seeking contributions. Meanwhile, it has had assistance from several individuals and research agencies in sounding the problems involved. Certain studies have been undertaken by coöperating agencies. A director of research is to be engaged, and the research program is to be expanded as funds are made available. A report is to be presented in time for the next legislative session, in January, 1931.

J. P. WATSON.

The Ohio Institute.

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Save the Capital's Parks.—The American Civic Association has issued a call for national support for the Crampton-Capper Bill providing for the prompt purchase of areas included in the city and regional park plans of the National Capital Park and Planning Commission and the affiliated Maryland and Virginia commissions. The purchase is to be on a coöperative scheme by which the federal government, the District of Columbia, and the states of Maryland and Virginia will share in the cost. The bill contemplates that the federal treasury will make advances without interest to the District and the two states.

The American Civic Association points out that each year adds about a million and a half dollars to the value of the lands to be acquired. The cost at last year's prices has been estimated at more than twenty million dollars. There is, moreover, grave danger that the unspoiled wooded lands along the Potomac River and other streams will soon be put to uses adverse to park development. The Crampton-Capper Bill has passed the House, but awaits action by the Senate.

Readers will recall that for the past four years a National Capital Park and Planning Commission has been engaged in preparing a regional plan for the Washington area. An inner and an outer park system for the national capital have been indicated on maps. A million dollars a year is now appropriated under an earlier law for the inner park system, but nothing has yet been provided for the outer system.

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A Central Municipal Loan Bureau.—A recent issue of the London *Municipal Journal and Public Works Engineer* discusses a proposal for a municipal loans bureau, made in a petition to the government to investigate the practicability of some scheme to reduce the competition among local authorities desiring to borrow money for capital works. The details of the proposal are set forth in a memorandum by E. J. Johnson, borough treasurer of West Ham. Mr. Johnson suggests that the central government issue a new class of stock, to be called British local government stock. When local authorities require large sums of money for new capital, they will apply to the minister of health for permission to include their requirements in the government's next issue of local government stock. The possession of statutory borrowing powers for the purposes for which the money is wanted would entitle the local authority to participate in the proceeds of the issue. Interest and redemption of the stock would be guaranteed by the government. No new financial burden, however, would be placed upon the government, since each local authority would contribute the amount of the debt service on its own borrowings.

The proposal would seem to have some of the possibilities of economy similar to that effected by centralized purchasing systems with respect to commodities.

⁂

Local Officials Organize Summer School.—The National Association of Local Government Officers, with headquarters in London, will hold at Keble College, Oxford, next August its first summer school. The school will be in session from August 2 to August 16, and Professor Harold J. Laski will deliver the inaugural address. Tutorial courses will be conducted by Dr. H. Finer, Dr. W. A. Robson, and Mr. K. B. Smellie. Subjects cover the structure and law of English local government, the relation between central and local authorities, and necessary changes in local government.

N. A. L. G. O. is the national voluntary organization of local government officers working in all fields. For a number of years it has been active in the training of local government employees and in the improvement of professional standards and conditions of service. There is nothing similar to it in the United States. It is significant that so much of the pressure for improved administration which, in America, comes generally from outside the local service, in England has been developed within the ranks.

⁂

"Facts and Forces in Detroit" was the topic of a conference held jointly by the Detroit Citizens' League and the Wayne County League of Women Voters, on February 27. "Taxation and the City Budget" and "Mayor or Manager—Which?" were the principal topics of the program. Mayor Bowles, Dr. A. R. Hatton, and Dr. Lent D. Upson were the chief speakers.

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THE LEAGUE'S BUSINESS

Appointment of Two New Committees.—At its recent meeting, the executive committee of the National Municipal League decided to appoint a committee to recommend revised sections on civil service for a new edition of our *Model City Charter*. The following committee has been appointed by President Childs to recommend the suggested section on civil service and any other minor revisions in the *Model City Charter* which are deemed necessary: Lent D. Upson, Detroit Bureau of Governmental Research, *chairman;* Fred Telford, Bureau of Public Personnel Administration, *secretary;* William C. Beyer, Philadelphia Bureau of Municipal Research; Robert M. Goodrich, Taxpayers' League of St. Louis County, Duluth; H. Eliot Kaplan, National Civil Service Reform League; and Clarence E. Ridley, International City Managers' Association.

For some time it has been apparent that we should have a model administrative code to supplement our *Model City Charter* and to provide the legal machinery for making city management effective. The executive committee has, therefore, authorized the appointment of a special committee to formulate a model administrative code. It is realized, of course, that the task of this committee will probably require a year or two for completion. The following committee has been appointed by President Childs to carry on this very important project: W. Earl Weller, Rochester Bureau of Municipal Research, *chairman;* Emmett L. Bennett, Cincinnati Municipal Reference Bureau, *secretary;* John B. Blandford, Cincinnati Bureau of Governmental Research; Robert T. Crane, University of Michigan; John N. Edy, city manager, Berkeley, California; Welles A. Gray, Municipal Administration Service; Walter Matscheck, Kansas City Public Service Institute; and Stephen B. Story, city manager, Rochester, New York.

*

The Secretary's Lament.—As everyone knows, Clinton Rogers Woodruff was one of the organizers of the National Municipal League and served as its secretary for twenty-six years—from 1894 to 1920. Mr. Woodruff has contributed the following statement of the plight of the average organization secretary. This can be accepted as authoritative, for few have had longer and more conspicuous service than he.

> If the secretary writes a letter, it is too long.
> If he sends a postal, it is too short.
> If he issues a pamphlet, he's a spendthrift.
> If he attends a committee meeting, he is butting in.
> If he stays away, he is a shirker.
> If the attendance at a meeting is slim, he should have called the members up.
> If he does call them, he is a pest.
> If he duns a member for his dues, he is insulting.
> If he does not collect, he is lazy.
> If a meeting is a howling success, the program committee is praised.
> If it's a failure, the Secretary is to blame.
> If he asks for advice, he is incompetent, and if he does not, he is bull-headed.
> Ashes to ashes,
> Dust to dust,
> If the others won't do it,
> The Secretary must.

Russell Forbes, *Secretary.*

NATIONAL
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EDITORIAL COMMENT

Chicago citizens have come to the rescue of the city and Cook County by subscribing $74,000,000 to a trust fund to enable the local governments to meet payrolls and other imperative charges until July 1. To meet the emergency the war-time liberty-loan brigade was summoned to action. The necessary amount was pledged in a thirteen-day drive not unlike the war drives of twelve years ago. The application of the money to the needs of government is controlled by a managing committee which administers the trust fund. For details see Edward M. Martin's note in the Notes and Events department of this issue.

⁂

M. D. Lack, writing in the *California Tax Digest*, calls attention to the excesses in which California cities have indulged with respect to special assessments. In Los Angeles, he writes, special assessment expenditures have increased from $5,524,000 in 1923 to $40,000,000 in 1928. In another city whole blocks, once occupied by beautiful bungalow homes, are now empty and deserted because their owners preferred to abandon them rather than pay the ruinous special assessments levied against them. The preparation of and adherence to long-term programs of public improvements is urged as a method of curing the difficulties which have been caused by too rapid developments to be paid for by special assessments against benefits which do not accrue.

⁂

The Pennsylvania Supreme Court has ruled that the plan for a consolidated metropolitan government for Pittsburgh, which was defeated at the polls last June, cannot be resubmitted until the legislature provides for another referendum. Readers will recall the measure rejected by the voters was an optional charter handed down by the legislature in pursuance of a constitutional amendment adopted in 1928. Sponsors of consolidation had hoped that the people might have another chance to adopt the charter without the necessary intervention of the legislature.

⁂

Mayor Curley of Boston is out to secure some form of consolidated government for the Boston metropolitan region. His suggestion is that something similar to the London borough system may be practicable in Boston. In furtherance of this purpose he has appointed a committee to develop a plan for a Greater Boston. Professor Joseph J. Beale of Harvard Law School, chairman of the committee, is at present in England making a study of the London area. Other members of the committee include Professor William B. Munro of Harvard and Professor Carroll W. Doten of the Massachusetts Institute of Technology.

At the annual town meeting in 1929 the citizens of Pembroke, Massachusetts, voted for a special committee to draw up a five-year budget program for the town. The committee was duly appointed by the selectmen. Although it appears to have issued no report, Stanley B. Hall, a minority member, has drafted a report in the form of a five-year plan for financing the government of the town. Pembroke spends somewhat less than $200,000 per year on its town government, and citizens of similar municipalities may be interested in learning of the methods which Mr. Hall pursued in preparing his long-term budget as an aid to similar undertakings for their own cities. Mr. Hall should be addressed at 106 Main Street, Brockton, Mass.

*

With the appearance of the first number of *State Government*, the magazine of the American Legislators' Association, is announced the establishment of this organization on a firm footing. Henry W. Toll of Denver, to whose energy and vision the undertaking is due, is director of the Association. The first concern of the organization, which has been in process of growth for the past three years, is to establish an interstate legislative reference bureau and to organize standing committees, with adequate secretarial services, for study and report upon matters of concern to legislators. The first number of the new magazine presents an attractive format. The first article is a tribute to the late Dr. Charles McCarthy of Wisconsin, who is properly termed the Trail Blazer in legislative reference work.

*

Uniform Crime Reports—A Fundamental Need Fulfilled

For the first time in our history we are on the threshold of a nation-wide system of uniform crime statistics. In January the Committee on Uniform Crime Records began the publication of a monthly bulletin entitled *Uniform Crime Reports*. Bruce Smith of the National Institute of Public Administration is editor. The first issue contained reports of crimes committed in 400 cities in 43 states. In February the number had increased to 494 cities in 44 states, and more are constantly being added. We can now look forward hopefully to the preparation of the needed factual basis without which any intelligent attack upon crime is impossible.

Only those who have been in close touch with the movement for uniform reporting can appreciate the difficulties which have attended the accomplishment of this introductory step. On the surface the task appears simple. But because of the excessive decentralization of crime treatment in the United States, years of study and agitation were necessary before *Uniform Crime Reports* could see the light of day. The bulletin contains the returns of "offenses known to the police" which are voluntarily submitted by the municipal police departments. It is therefore the product of education and of coöperation in the strictest sense of the word. More particularly it is a consequence of three years' research under the auspices of the International Association of Chiefs of Police. Police Commissioner William P. Rutledge of Detroit is chairman of the committee of police chiefs which has the work in charge. Dr. Lent D. Upson is chairman of the advisory committee, and Bruce Smith is director of staff.

Preparatory to the filing of the municipal returns, the Committee on Uniform Crime Records first prepared a pamphlet entitled "Uniform Crime Reporting; a Complete Manual for Police." This was followed by "A Guide for Preparing Annual Police

Reports." With these two documents in hand the various municipal police departments have been able to bring their crime statistics to a comparable basis.

Later, the monthly returns will be consolidated into annual compilations of crimes committed, and data from rural districts will be included. The bulletin is published at 261 Broadway, New York.

*

A City Civilization

Whether we condemn cities as sinks of iniquity or praise them as centers of civilization and progress, we are driven to the conclusion that they are changing human life. What the country thinks of the town is revealed in any state constitutional convention which undertakes to revise the basis of apportionment in the state legislature in favor of proportionate representation for the big cities. What the town thinks of the country is suggested by "yokel," a word which Mr. Mencken and his school delight to use. We fear or love the city, as our temperaments incline us, with little basis or reason for our attitudes.

It is encouraging, therefore, to note that the sociologists are paying increasing attention to the problem of what urban life does to people. Professors Burgess and Park are uncovering suggestive material in their community research in Chicago. Messrs. Anderson and Lindeman in their *Urban Sociology*, published in 1928, pointed out new trends of social development for which the city is responsible. J. G. Thompson's *Urbanization*, published a year earlier, was a vehement if not convincing *apologia* of the city as a liberalizing and civilizing force in all history. Steiner's *The American Community in Action*, and Burr's *Small Towns* should also be mentioned.

Now comes a book by two professors of the University of Minnesota entitled, *Principles of Rural-Urban Sociology*,[1] in which urban and rural traits are analyzed, compared and measured. For the most part the method is statistical and judicial. The evidence has been gathered from all countries and climes, and its very wealth may frighten the general reader. But despite the statistics and the sociologist's trade vocabulary the book is interesting and packed with useful knowledge to anyone who seeks to interpret our age.

The authors find that people still live to a greater age in the country than in the city, although the infant death-rate in cities is being lowered to the level of the country. Crude death-rates are not decisive as showing improvement in urban health conditions because of modern gains in infant death-rates and the more rapidly falling birth-rate in the cities which is reducing the proportion of urban population in the lowest age group in which mortality is highest. The claim that rural children are less healthy than urban, it is said, is not supported by the facts although home and school sanitary conditions are poorer in the country.

The percentage of proprietors in the country is higher and the proportion of wage earners lower than in the city. This, together with absence of great extremes of wealth, renders the rural population more stable politically.

Socialism and communism require city air. Agricultural movements in politics have been directed to maintaining the wide distribution of private property against forces which were undermining the ownership of land. The farmer wants low taxes and a minimum of socialism.

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[1] *Principles of Rural-Urban Sociology.* By Pitirim Sorokin and Carle C. Zimmerman. New York: Henry Holt & Co., 1929. xv, 652 pp.

The preponderance of economic power, however, rests with the cities, and political power gravitates there also. The farmer has therefore been weak in politics. His insistence upon a continuation of his excessive representation in state legislatures and in Congress may not be so unreasonable after all. Although rural groups are taxed out of all proportion to ability to pay, the authors state that these groups participate less in the services and subsidies of government than the urban groups. In our judgment, however, this last assertion is of doubtful validity.

The farmer is less inclined to split his ticket at elections than his city contemporary, according to the authors. Ticket-splitting, they believe, is not a sign of a more advanced political intelligence, since there is greater mobility in city life, together with less homogeneity and better facilities of publicity. But, we would suggest, city governments may get better administration of government because of the urban tendency to split tickets; and rural government probably is relatively as corrupt as that of cities and less efficient. The county courthouse ring may not enjoy as heavy spoils as its urban counterpart, but it may be questioned whether its motives are any higher.

Our authors take sharp issue with those who have asserted that city people have a greater native intelligence (whatever that may mean) than rural folk. They point out that comparative intelligence tests upon which such conclusions are based have been conducted by persons with an urban bias, working with urban tools, measuring activities of an urban nature without allowance for the greater cultural opportunities in the city. They also deny that superior psychological types aremigrating in disproportionate number to the city or that there is any proof that the relative intelligence of farm children is decreasing. Cities occupy a higher place in the productivity of genius; but this, say the authors, is due to previous generations of social selection and not to innate capacity. Because there is not a corresponding flow of talent from the city to the country, ability tends to concentrate in the former.

That the city excels in crime is commonly believed. City populations probably do yield a greater proportion of offenders than country populations, although when place of birth is considered there is some evidence to indicate that the city's record is increased somewhat by country-born migrants. But the authors deny that a disproportionate number of such migrants are born with criminal proclivities. They seem to prefer the explanation that boys "go wrong" after they reach the city rather than that they move to the city because of better opportunities to make crime profitable. They would probably insist that the country is still the best place in which "to bring up a boy." Yet after reading the array of reasons which the authors marshal to explain why the crime rate is higher in cities we are surprised and relieved to know that, all things considered, the rural crime rate is only "somewhat lower than that of the urban population."

Sorokin and Zimmerman may fairly be called partisans of the farm as the "preserver" of culture against the city which is the "inventor" of culture. If the city is not the crowning jewel of modern civilization, as some writers would have us believe, it at least is no engine of destruction. And if the country is maintaining its cultural level; if the city is not sifting the nation's talent and attracting all the best to itself, so much the better.

HEADLINES

At last reports, a city manager bill for Newport stood a fair chance of passing the Rhode Island General Assembly. Passage of the measure would remove from Rhode Island the stigma of being the only New England state which does not permit the council-manager plan.

* * *

The act for the reorganization of the state administrative departments of Kansas, providing for a state manager, failed of passage in the 1930 special session of the legislature last month.

* * *

A bill providing for a commission of three senators, five assemblymen, and three appointees of the governor to make a "comprehensive study" of county government was passed by the New York legislature this month. The commission was instructed to report recommendations for amendments to the state constitution to the legislature by February 1, 1931.

* * *

Labor is coming to appreciate more and more that its interests lie in the direction of the manager plan and its resultant efficiency in administration. The latest word is from Kansas City where union building trades workers outspokenly endorse the manager plan.

* * *

The office of commissioner of budgets and accounts has been established in Westchester County, New York, by action of the state legislature. The commissioner will be appointed by the board of supervisors for a six-year term.

* * *

While regional government is generally regarded as essential to give North Jersey a chance to compete for business and population with Greater New York, proponents of a bill to set up such government were dubious of its passage by the New Jersey legislature as the session was drawing to a close.

* * *

"If I were a state legislator," declared Senator George W. Norris of Nebraska recently, "I would urge my state to petition Congress for a convention to revise the constitution." Thirty-two states—the necessary number—have petitioned Congress for a convention. Of these, however, eight states limited their appeals to the direct election of United States senators.

* * *

St. Paul voters probably will have another chance at the manager plan on June 16. With substantial changes the charter that was defeated last fall is expected to be resubmitted on that date. One of the significant alterations is that providing for district representation in the council.

* * *

So far this year three cities have adopted the manager plan by charter. They are Mamaroneck, N. Y., Shawnee, Okla., and Fort Atkinson, Wis. Among those scheduled to vote on the plan in April were Dallas, Texas, and Owosso, Mich.

Appleton, Watertown and Marinette, Wis., turned the plan down last month. Kenosha, Wis., and Gainesville, Texas, where the plan has been in operation, voted to retain it.

* * *

One does not always have to be a cook to take a hand in the broth. In Wisconsin recently, a disbarred attorney ran for the job of supreme court judge, thereby calling attention to the fact that in the Badger state, one need not be an attorney to be on the supreme court bench.

* * *

During the period of prosperity the city manager of Cincinnati with a committee of city, state and federal agencies, working with private employers, developed a system to stabilize employment. Forewarned is forearmed. When slack times arrived last fall, Cincinnati was one of the few cities in the country ready for the emergency.

* * *

Working on the job of recodifying laws and ordinances, the city ordinance committee of Morgantown, W. Va., dug out some interesting information. For example, it is anticipated that an ordinance of 1905, prohibiting swimming in Decker Creek unless the swimmer be clothed in a bathing suit from neck to knee and with full coverage of both arms, will not be included in the revised code.

* * *

When the shoe fits, even the governor of Michigan will put it on. Faced with the threat of injunction proceedings if he constructed a state police broadcasting system without a permit from the Federal Radio Commission, Governor Fred W. Green shouted "States' Rights" and declared he would go ahead with the project. A court battle looms.

* * *

Formation of the City of Greater St. Louis by consolidation of the city and county is part of a plan for metropolitan government of the Missouri metropolis being drafted by Prof. Thomas H. Reed of the University of Michigan. The details of this proposal will be made public next month. Organization of a city-county government has also been recommended for Seattle, Wash., in a recent survey.

* * *

The Indianapolis City Manager League will throw its strength behind a movement to obtain a home rule amendment to the state constitution. Home rule, of course, would open the way again for adoption in Indianapolis of the city manager plan which was held to be unconstitutional by the Indiana Supreme Court six months ago.

HOWARD P. JONES.

HOW CINCINNATI MET THE UNEMPLOYMENT CRISIS

BY C. O. SHERRILL AND FRED HOEHLER

City Manager and Director of Welfare of Cincinnati

One of the fine accomplishments of the new civic spirit of Cincinnati has been its successful attack upon unemployment. Plans to meet the crisis when it should come were made months in advance. :: ::

Nothing in life is more heartrending than to see long queues of men of all ages, races, and conditions, lined up at soup kitchens with not a penny in their pockets, footsore and weary, unwashed and ragged—the jobless of whom the large industrial cities have had so many on their streets this winter. Although Cincinnati has also experienced unemployment, the suffering has been somewhat less than most other large cities, because of the stability of industries in Cincinnati and the advance efforts of its citizens to be ready to meet such a crisis.

Practical men of affairs who have studied the problem and have experimented with remedies are finding that not only is unemployment fraught with serious social ills, but it is also "a needless waste which cuts down business profits." They have concluded that "the amount of unemployment in any one business or industry is often the measure of inefficiency in that business or industry and that a reduction of unemployment is usually reflected in the balance sheet by an increase of net income."

Government has usually considered employment matters to be the sole concern of industry and labor. It is only within the last few years that national, state, and municipal governments have realized their obligation to give every possible assistance to efforts to stabilize employment. This assistance is being rendered by the national government through the educational and fact-finding work of the department of commerce. This work was given a great impetus when President Hoover, then secretary of commerce, called attention through national conferences to the intimate relation existing between stability of employment and general national prosperity. Without continuity of employment at good wages, there can be no sustaining purchasing power, and hence, inevitably a series of booms and panics. Later on, as president, Mr. Hoover took a further and epochal step in the stabilization of business, labor, and financial conditions through a series of important conferences following the stock-market crash.

Many of the states have also recognized their responsibility in these matters by establishing state employment agencies of varying degrees of efficiency. The state of Ohio has a complete system of such agencies covering the state and located in each of the large municipalities. The various cities coöperate in the operation of these agencies, and share in the expense of their upkeep. Although there has been much done recently in these undertakings by national and state governments, it is still inevitable that the final solution of the details of employment problems must, in the main, be a local one facing each individual city, for the reason that any unemployment results in the suffering of its citizens and this reacts at once on the local public and private relief agencies which must see that this suffering is relieved, oftentimes at great expense and with unsatisfactory results both to the taxpayers in general and to the unemployed.

No more demoralizing, depressing, and unsatisfactory method of relieving unemployment has been tried than the dole system, or the constant giving of funds by governmental agencies without any obligation on the recipient to earn them. The necessity of caring for the unemployed is still a pressing one but emphasis is being laid more and more upon the question of preventing unemployment. It has, therefore, become the concern of government and industry so to stabilize and equalize employment as to give every family a living wage each day in every year or to reach as close to this goal as thoughtful and foresighted plans will permit.

CINCINNATI BEGAN PREPARATIONS MORE THAN A YEAR AGO

The city manager of Cincinnati over a year ago decided that intelligent planning should precede the next unemployment emergency that Cincinnati had to face. He appointed a permanent committee on stabilizing employment. The purposes of this committee are to study the problem of stabilizing employment and to create machinery to handle an unemployment emergency when one should arise.

Serving on this committee are men widely representative of the business, governmental, and social service forces of the community. The subcommittees appointed concern themselves with the state-city employment exchange, continuous employment, temporary employment, public work, coöperation of social agencies, budget and finance, state and national coöperation, transients, fact-finding, and publicity and education.

Each of these subcommittees has a separate and distinct function and works as a unit, but the work of the permanent committee is coördinated through the department of public welfare. It will be noted that several of the committees are such as would function particularly in an unemployment emergency or pending an emergency of that sort.

The members of the general committee early realized that an intelligent handling of its problems demanded proper knowledge of the facts concerning employment. The subcommittee on fact-finding was formed for this special purpose. Its chief work was to determine the amount of unemployment, the amount of increase or decrease in this unemployment from month to month, and, in short, to obtain all such information as would be needed in the solution of the problems involved.

One of the first accomplishments of this subcommittee was an employment census for the city of Cincinnati. In this way, guesswork as to the number of unemployed was displaced by facts. The census which was the result of a house-to-house survey showed not only the number of the unemployed, but also the number of the employables and number employed on a part-time basis. Out of the 106,583 employable persons covered by this census, it was found that 88½ per cent were regularly employed, that more than 5 per cent were employed only part time, and that nearly 6 per cent were unemployed. This census was taken in May, 1929. This information together with the current statistical data which is now available to the committee gives a factual basis for determining the amount of unemployment from month to month.

The fact-finding subcommittee discovered in the latter part of September and October, that there was a definite decline in the employed group of certain of the industries of Cincinnati. This decline was accelerated during November and it was then that the various subcommittees concerned themselves with meeting an unemployment emergency which, by this time, was quite in evidence.

CONTINUOUS EMPLOYMENT ENCOURAGED

The subcommittee on continuous employment worked to secure the acceptance by industry of the principle of providing work for as many as possible at reduced hours or by a plan of staggering employment so that it would not be necessary to lay off such a large percentage of their men. This principle was accepted by many of the concerns in Cincinnati and has helped to prevent a more serious unemployment situation in this city. Several large firms had previously accepted the principle of stabilizing employment and had clear and definite plans of continuous work for those whom they employed.

The committees urged city, county, and state governments to begin immediately on such public work as was practicable at that time. The result was that never before in the history of Cincinnati and Hamilton County has so much been accomplished in public work as during this winter period. The county commissioners in Hamilton County carried out an extensive program of improvement and the city manager in Cincinnati kept his various departments busy with all work which could be accomplished during the winter months. The adjoining cities of Kentucky united their efforts and used a large number of men in public work.

TEMPORARY JOBS SUPPLIED

The subcommittee on temporary employment, numbering nearly one hundred individuals, representative of various community groups and civic organizations in the city, set out immediately to secure a large number of temporary jobs. These relieved, in a small measure, the seriousness of the early days of the unemployment emergency. Following this, an industrial relief program was set up. This program provided necessary labor in public and semi-public institutions for the heads of families where unemployment resulted in request for relief. The expense of carrying this relief program was borne largely by the department of public welfare with the help of the community chest. In this program, more than five hundred heads of families were provided with work each week at hourly rates for a number of hours sufficient to maintain their families. Such work was of the type which needed to be carried on, but for which the agencies and departments did not have funds. It was in no way competitive with regular private employment, and the jobs could not have been handled if there had been no relief program set up by the department of public welfare and the community chest.

The committee on coöperation with social agencies was functioning all the time, receiving calls from the unemployed, sorting out those who were able to be cared for under the industrial relief plan, and referring to the social agencies those whose unemployment was only one of the problems which caused the need for relief.

The committee on transients working through the transient service bureau of the department of public welfare kept in close touch with the drifters or transient workers who came into Cincinnati and was able to inform them on employment conditions here and, by social treatment, handle their cases as a separate problem from the general unemployment problem which faced the community.

RESULTS

In the opinion of those closest to the industrial situation in Cincinnati, the city manager's committee on stabilizing employment has had a very definite part in reducing the seriousness of the unemployment emergency which came to this city, as well as other cities, during the past few months. The general program of education and the constant reminder to all industrial concerns in the community of the seriousness of the economic loss involved in unemployment kept a number of employers from laying off men when it was possible to keep those men employed if only on part time. It was found that with the reduction of hours or the staggering of employment, many were able to secure sufficient money to carry their families over the period of depression. The general educational program carried on by this committee also secured the coöperation of householders in providing work while industrial jobs were scarce.

The improvement in and the increased prestige of the state-city employment bureau has enabled that agency to have a greater part in the placement of the unemployed than they have ever had before. Citizens and business houses were kept informed as to actual facts concerning unemployment in Cincinnati. There was no attempt either to exaggerate or to minimize the condition in the employment field. There is no question of the success attendant upon these efforts of industry, labor, and government in Cincinnati to stabilize employment during the present status.

THE CRUX OF THE WATER POWER ISSUE

BY WALTER C. HURLBURT

Rutgers University

Under existing court decisions can the public protect itself against exploitation if valuable water rights are transferred to private hands?

THE crux of the water power problem in New York state lies in the answer to the following question: Can the valuable water rights of the St. Lawrence River be sold or leased to private interests without transferring to private hands a monopoly value, which can, in the future, be legally capitalized at a sum commensurate with what the traffic will bear? A study of the available evidence affords a convincing answer in the negative.

In the case of the *San Joaquin and K. River Canal and Irrigation Company* v. *Stanislaus County*[1] the Supreme Court of the United States ruled that the consuming public must pay a fair rate of return upon the fair value of water rights, regardless of the manner of acquisition. The Supreme Court said: "But even if the rate paid is not to be determined as upon a purchase of water from the plaintiff, still, at the

[1] 233/U. S. 454 (1913).

lowest, the plaintiff has the sole right to furnish this water, the owner of the irrigated lands cannot get it without the plaintiff's help and it would be unjust not to take this into account in fixing the rates." In other words, the Supreme Court allowed a monopoly value to a company engaged in public service on the theory that the company possessed the power to withdraw an indispensable commodity.

THE RIGHT TO APPROPRIATE AN UNEARNED INCREMENT

Throughout the case, the consumers of the water company's services did not deny that a situation existed, which, in the realm of free private enterprise, gave rise to monopoly values. The consumers did, however, affirm the belief that a distinction should be drawn between a regulated utility and a private enterprise and that the former, in view of its nature, was not entitled to values which it did not create. The real point at issue in the San Joaquin case revolved around the right of a public utility to appropriate an unearned increment. By a series of tortuous mental contortions, the duly constituted guardians of private property evaded the issue, and, in their own fashion, succeeded in rationalizing the conversion of public wealth into private gain.

Since the decision in the San Joaquin case, the various state commissions have been obliged to include the value of water rights in the rate base. If, in the future, St. Lawrence water power is developed by private interests, the New York state public service commission will be under the necessity of fixing the fair value of water rights. During the course of the investigation of the public service commission laws, Professor James C. Bonbright questioned William A. Prendergast concerning this point. The question was ruled out. However, the decision of the Supreme Court in the San Joaquin case leaves room for no possible shadow of doubt. *State commissions must make an allowance for water right values, regardless of the manner of acquisition.*

CHOICE OF FOUR MEASURES OF VALUE

Assuming that St. Lawrence water power is developed by private interests, the New York state public utility commissions of the future will have a choice of four measures of value when the time comes to determine the fair value of water rights. Original cost, earnings, cost of reproduction, and saving over steam are the accredited yardsticks.

In the past, original cost has been given scant consideration. A former New York commission ruled as follows: "Original cost cannot control. If original cost to the Standard Company why not original cost to the man who built the mill and if to him, why not the apportioned cost to the original grantee of the entire tract, which was probably nothing? If we can go back to him, we can probably go back to the Duke of York and find that the water rights of the entire state should not be capitalized at all. Whether they should have fallen into the hands of private owners or not is immaterial."

It is highly probable that the concept of original cost will always be viewed with distaste in New York state. A New York commission is, however, always at liberty to borrow the Wisconsin measuring rod of monopoly value. A Wisconsin commission has said: "This commission must try to find as near as may be what would be the market price did full competitive conditions apply. . . . Earnings and cost of development, etc., should be considered as they tend to throw some light on what would be the market value or price of the power site were full competitive conditions in effect."

It is obvious that the use of earnings as a measure of water right values is tantamount to capitalizing water rights according to what the traffic will bear. If the value of water rights is used (in part) to measure earnings, but earnings are used to value the water rights, a vicious circle is created wherein higher earnings create higher valuations and higher valuations create higher earnings. Should a future New York commission adopt the Wisconsin yardstick, every increase in the state's population and purchasing power would revise the value of St. Lawrence water rights upward.

Should objections to capitalizing St. Lawrence water rights on the basis of earnings be encountered, a future New York commission can fall back upon the cost of reproduction hypothesis. How much would it cost to reproduce the St. Lawrence power sites? The theory is not quite as naïve as the question implies. The cost-of-reproduction theorists simply assume a series of sellers and buyers of water sites to be in existence. At any given time, cost of reproduction is equal to a hypothetical price as fixed by the forces of hypothetical supply and hypothetical demand schedules. How much would buyers give and sellers take for the St. Lawrence water rights? The answer to this question depends upon existing estimates of prospective earning power. Cost of reproduction turns out to be capitalized earnings surrounded by vague phraseology.

When a public utility commission finds itself hopelessly confused in attempting to measure the value of water rights by the use of earnings or cost of reproduction, the utility engineers are always ready to come to the rescue with the comparative-steam-plant method of ascertaining value. This method is, by far, the simplest way to measure the monopoly value inherent in water rights. The cost per horsepower per year of the existing water plant is subtracted from the estimated cost per horsepower per year of a hypothetical steam plant operating in the same locality, and the resulting sum is capitalized on the basis of "fair return." In other words, water right values are equal to the savings (duly capitalized) derived from the hydro-electric method of generating power.

The electric light and power consumers of New York state have no guarantee that a future New York commission will not follow the lead of some of the present state commissions in accepting the comparative-steam-plant hypothesis. Should St. Lawrence water rights fall into private hands and be valued on the basis of saving over steam, the people of New York state would be left subject to all the disadvantages attendant upon remoteness from coal mines while enjoying no advantages from living in a region abundantly supplied with water power. When saving over steam becomes a commission's yardstick of water right value, hydro-electric development becomes a matter of indifference to all save utility stockholders.

WHAT THE TRAFFIC WILL BEAR BECOMES THE TEST

The decision of the Supreme Court in the San Joaquin case, together with the refusal of state commissions to value water rights according to original cost, makes the following statement axiomatic. *When water rights fall into private hands the sole limitation upon the tribute which the monopolist can legally exact lies in the community's ability to pay.* The dialecticism of legal metaphysicians hardly alters the facts of the case. Public utilities can and do legally capitalize unearned increments on the basis of what the traffic will bear. Under the circumstances, the regulation of utilities is a waste of the taxpayers' money. When a regulated utility is able to appropriate monopoly values, the primary purpose of regulation is defeated and the only road to freedom is public ownership and operation.

A few state commissions have seen the danger signals ahead. Although powerless to act in view of the decision of the Supreme Court in the San Joaquin case, former Commissioner Thelen of the California commission had this to say: "If it is true that the entire value of the water which a public utility secures by appropriation or otherwise, belongs to the utility, and that the public must pay rates on such value, it follows that where there is only one source of water supply for a municipality the water utility has the right to capitalize the entire life of the municipality. . . . In this case, for instance, it appears that, although the value claimed for water rights by Engineer O'Shaughnessy, the company's expert, in behalf of the Southern California water company, was almost $3,000,000, and the real value of these water rights, as claimed by Mr. O'Shaughnessy, was over three times this amount, all that was actually paid for water rights, as distinguished from land, was $12,500. No figures could more forcibly illustrate the dangers into which some of our courts are rushing the people of this state."

The water power issue is rapidly assuming a comic opera aspect. For example, a portion of the last annual report of the Federal Power Commission was devoted to a criticism of the public attitude toward hydro-electric generation of power by private agencies. The Federal Power Commission complained of "lack of public co-operation." A few weeks later, the Niagara Falls Power Company transmitted an informal claim for "fair value" to the Interstate Commerce Commission. According to Niagara Falls Power Company, the "fair value" of the property which it devotes to public service consists of (a) tangible fixed capital—$31,190,974; (b) intangible property—$5,762,143; (c) overhead costs—$8,718,334; (d) water rights—$32,000,000. The Federal Power Commission, if interested, should be able to discover reasons for the growing antipathy toward hydro-electric development by private agencies.

MANAGER CITIES IN ACTION

IV. THE VIRGINIA CITIES

BY ERNEST S. BRADFORD

It is in the medium-sized cities that manager government has had its fullest trial and the results are most clearly evident—cities such as Petersburg, Portsmouth and Lynchburg, Virginia, all ranging from thirty thousand to sixty thousand population. These three cities are here considered along with the larger city of Norfolk, and Staunton, the first city to adopt the manager plan. :: :: :: :: ::

Petersburg

The population of Petersburg in 1920 was 31,012; manager form began September, 1920. Petersburg I had visited before it turned over its new leaf and changed from a rambling city with historic monuments of Civil War days and stories of fierce battles between North and South to its present status as an industrial center. When I was there first, I was shown the moss-grown mounds of earth thrown up by the great explosions that followed the mining and counter-mining of Blue and Grey soldiers in 1865. Now they pointed out to me some of the largest trunk factories in the country, and huge plants manufacturing tobacco products. The town's appearance was completely altered. I had expected to find marked changes since my earlier visit of a dozen years before, but not such a well-paved, clean and busy city, with cement streets, concrete bridges, and an air of up-to-date neatness and prosperity. I asked the editor of the local paper how much of this was due to natural growth and how much to their modern method of government.

"Oh," said he, "Louis Brownlow came down here from Washington, D. C., where he had been one of their commissioners, and was our manager for nearly four years. He cleaned up the town, straightened and paved the streets, built sidewalks and gutters, put in a couple of needed bridges, and reorganized our finances entirely. He put the parks into use, constructing swimming pools in them, and making them accessible and popular. He made friends with everyone in the city, and when he left to become manager of Knoxville, Tennessee, we had quite a different city from what it was when he first came. The council picked a good manager and he made the town over. We had to spend some money, it is true, to catch up with the times, but no one regrets it."

"Brownlow saved us over forty thousand dollars during his term. Waste has been eliminated, graft has disappeared," said a local business man. I sat in at a meeting of the council in the evening, at which the mayor presided; there were present the other councilmen, the city manager, and the city attorney. The main business consisted of consideration of the school budget and some other matters, and I was astonished at the directness and speed with which the business was dispatched. Everyone had his say, and action on various items was taken promptly. There was a noticeable lack of political jockeying, and with the manager's accurate information in hand, the council was able to complete its session in a short time.

A banker with whom I talked said that the manager plan is the established form now and no one would think of giving it up. Two business men said that Virginia in general and Petersburg in particular are convinced that having a business manager is a sensible way of operating a city government. All the council has to do is the planning; the manager carries out their orders.

The council first elected appears to have secured and kept the confidence of the voters. There were nine councilmen elected in the first eight years, an indication of this general confidence. The five councilmen whom I met included one lawyer (mayor), a wholesale feed merchant, a furniture man, a miller, and a machinist. The salary of the manager as fixed by the council for both Brownlow and Drewry was ten thousand dollars, and the opinion of those with whom I talked was that the city had saved each year several times this salary.

Dr. Drewry, a local man, head of a hospital, served as manager from January, 1924, until July, 1929, when he was succeeded by Paul Morton, who had previously been manager of Alexandria, Virginia, for four years.

The relation between the council and the manager was clearly set forth at the beginning of the first manager's administration:

"The council, when it chose the manager, told him that he was to be absolutely free in the administrative field, and that the council would confine its activities, collectively and severally, to matters of policy. That pledge has been kept. The council has determined the broad lines of policy; no member of the council has so much as made a suggestion to the city manager concerning the personnel of the municipal organization. No member has interfered, directly or indirectly, in any of the executive functions."

NORFOLK

The population of Norfolk in 1928 was 184,200. The first manager of Norfolk, which has now had some twelve years' experience under its manager charter, was Charles E. Ashburner, the first manager of Staunton, Virginia, and afterward manager at Springfield, Ohio. He was manager of Norfolk from 1918 to 1923, leaving to become manager of Stockton, California. Ashburner, whom I met first in Staunton in 1910, is an outstanding character among managers. An engineer of ability, strong, energetic, forceful, impatient, sometimes arbitrary, he was just the man needed to remake Norfolk, changing it from a poorly planned and little-developed Southern town into an active Atlantic port-city. I had been in Norfolk before, and was struck with the great changes which had taken place in ten years, even more striking than in Petersburg. Part of it was due to the war, and to the better shipping facilities provided at that time; part to the natural growth of an undeveloped city, possessing certain great natural advantages; and part to better city government and capable managers.

I had difficulty in finding the facts. The first men I interviewed took the manager form so thoroughly for granted and considered it so long and firmly established that they did not regard it as open to discussion. Was manager government prompt, businesslike, efficient, representative of various classes of voters? Yes, oh yes! Why, when, where, to what extent? Perfunctory answers did not interest me, either for or against, so it was not until I had located a number of unusually well-informed citizens that my questions were answered.

"We had a well-intrenched local ring in power," said a lawyer, "wasteful, unprogressive in policy, lax, corrupt. Everything was politics. It took some time to break its hold here. Our citizens all took hold, and we put in the new charter. Ashburner came as our first manager, and he remade the city. Under the old ward system a street would be paved for the several blocks which were located in the ward of councilmen in the ring, then run for several blocks unpaved, muddy and full of holes, then on again into another ward where the councilmen had enough influence to get pavement. There were few continuous main highways. We managed to elect a broad-gauge council free from the old lines, and the manager they selected began to do things."

The problem which faced the manager was that of rebuilding and renewing the city's entire equipment of streets, wharves, and, in fact, everything of governmental character. This involved a program of expenditure which was entered upon without hesitation and carried through successfully. One of the tasks was the establishment of a new water supply system, a job that cost some seven million dollars and has now provided the city with all the water it needs for some years to come. The old mayor and council had dodged responsibility for this much needed improvement so that the new administration had to shoulder an expense which should have been met a number of years before. The tax rate was not lowered, but a much-needed improvement was provided for.

A comprehensive plan of widening streets, extending them into new sections and paving them was entered upon by the first manager under a plan for connected and continued thoroughfares which had never previously been provided. New streets were cut through, narrow places widened, and easy access provided to all parts of the city.

When Ashburner left to become city manager of Stockton, California, a military engineer, named W. B. Causey, took his place and for two years attempted to carry on the work which had been begun under Ashburner. The job, however, was a somewhat different one, involving economy and retrenchment, for the first manager had spent money and the bond issues voted by the people had brought with them some discontent as to the cost of the new program. In 1925 Colonel Causey resigned and was succeeded by Mr. I. Walke Truxtun, who had been a member of the common council and the board of aldermen—for Norfolk had formerly a bicameral council with twenty-five members—and afterward a member of the new council under the first city manager. Mr. Truxtun is a local man, as distinguished from the other two who were from the outside; they were engineers, while he is a business man.

Truxtun comes of a well-known Southern family and was formerly regarded as a politician, but when criticized on this score, took the charge of being a spoilsman as an affront to his personal honesty, and declared he would support the ideals of council-manager government with every ounce of energy he possessed. From that time on he seems to have put into his manager's job all the energy which he formerly gave to his political activities. He talked to me about his school for policemen, asked about various sources of accurate information on city government, conferred with the mayor—president of the council, S. Heth Tyler, who came in as I was leaving—and talked with a city employee who had an important complaint to make. Truxtun left the impression of one who is tremendously interested in his job.

RESULTS OF THE MANAGER PLAN IN NORFOLK

During the first five years of the city manager plan, from 1918 to 1923, the city of Norfolk accomplished the following results:

1. Paved 25 miles of streets.
2. Laid 197 miles of water mains.
3. Laid 26 miles of sewers.
4. Increased the capacity of their water works from 7 million gallons per day to 30 million gallons per day.
5. Developed municipal piers and grain elevator.
6. Reorganized police and fire departments.
7. Built municipal playgrounds.

The opinion of those with whom I talked is that the manager plan represents a very great advance over the old conditions. They say that "the first advantage is that of prompt action, which is possible with a council of five and a city manager, as contrasted with the old council of twenty-five which sometimes took six months to pass a single ordinance. But more than this, is the spirit of coöperation between council and manager which enables progress to be made in handling city affairs and the possibility of having a plan for the city's development which goes on year after year and is not changed every time a couple of new councilmen are elected." There were only nine councilmen elected in the first ten years of the manager plan; two members were still serving who were on the original manager's council. The result has been that these experienced councilmen supply a degree of stability in all of the policy-determining of the city. This is true of many other manager-governed cities. The higher-grade councilmen selected seem to command the confidence of the voters over a longer period of years than the regular run of ward councilmen.

Leonard D. White, writing regarding the Norfolk situation in 1926, characterized it as illustrating "in a notable way the emergence of a successful manager from the ranks of local politicians." If this is due here, as he suggests, to the strength attained by the ideals of council-manager government, how important it is that these ideals shall be fixed firmly in the public mind by the first managers.

STAUNTON

When I first heard of a city having a business manager, in 1910, I travelled over from Richmond to Staunton to see what it was like. Charles E. Ashburner, who had been a maintenance engineer on the C. & O. Railroad, had been hired to fill the job of general manager, created by the council by ordinance passed in January, 1908, at a salary, as I recall, first of $2,000 and later $2,500 a year.

Ashburner had already saved his salary several times over by improvements which he had introduced, and was in great favor with the council, but I could see that he was irritated by criticism from those who did not like the new idea, and resented their efforts to hamper his activities. Ashburner was purchasing agent for all the city departments, and a general coördinator of all the city work; he was described as a close buyer, a good engineer, a hard worker, and anxious to drive ahead. After three years and a half, Ashburner left to return to private engineering practice in Richmond, later to become manager of Springfield (Ohio), Norfolk, and Stockton.

S. D. Holsinger — even-tempered, knowing his community and possessing a large amount of common sense—became manager after Ashburner left in 1911, and gave general satisfaction for nearly twelve years, until he resigned (February, 1923) to fill a better-paying county office.

Willard F. Day followed Holsinger as manager in March, 1923, and has been there over seven years. The manager plan is so strongly intrenched in public favor that when a local Republican boss and a local Democratic boss pooled forces in an effort to secure a special election to vote on abandoning the charter, they could not muster enough signers to get the project under way.

"There is no sentiment against the manager form," said the editor of the Staunton *News-Leader*, "except among a few of our old political standbys. Twenty years of good government have raised our ideals so much that we should never think of going back to the old days of partisan control and ward politics."

Manager W. F. Day gave to me practically the same statement regarding the progress of Staunton, as measured by its net indebtedness, as was published later; part of it being as follows:

"One index for comparing the debt of the city before the council-manager plan with the debt after twenty years' continued operation would be the ratios of net debt (gross debt less sinking fund) to the allowable debt limit expressed in terms of percentage. In 1908 the net debt was 85 per cent of the maximum allowed by the state constitution. Today it is but 54 per cent of the legal limit. In addition to this reduction the city's assets have been increased. The bonds issued for the electric light plant, fire department building, and five public schools all built since 1908 are included in the above figures.

"Staunton's assets in the way of streets, sewers, and other public improvements have tremendously increased since 1908, but being financed from current revenue, no bonds were issued to add to the city debt. This alone justifies the pay-as-you-go policy and proves the wisdom of following a sound and conservative debt policy."

Of the five men comprising the present city council one member, S. P. Selling, was on the 1908 council which made the idea a reality. He has served the city for twenty years. Another member of the present body was on the special committee which investigated and reported on the famed general (or council) manager plan. He has served fourteen years since the adoption of the plan. Another member has served nine of the twenty years, another eight, and the junior member has served the city six years.

LYNCHBURG

Lynchburg, with a population of 30,070 in 1920, is a distributing center for central-western Virginia, and the home of the large Craddock-Terry shoe factories—a mixed agricultural and manufacturing community. It has had managers since September, 1920. E. A. Beck, the first, worked hard for five years and remade the city, building new streets, fixing up the parks, handling finances and putting the city on a business basis. His salary was $12,000 when he died "in the harness" in 1925. They named a bridge after him, as a memorial. He was spoken of repeatedly as one who gave his life in public service.

The present manager, R. W. B. Hart, succeeded Beck in 1926 and has been there since. I talked with him. He is an active man, full of ideas on city government, and creates a favorable opinion of his businesslike methods. Nearly everybody I interviewed was for the manager plan. I found one who was opposed to it—a lawyer—but when I pressed him for definite reasons, he only said: "It is true that the plan has worked well here. As to getting things done promptly, it has accomplished wonders. A good nonpartisan council has employed an able manager. But I do not believe in the theory of the small council which leads to control by a few, nor do I like the method of the city's doing its own street work, which is the way this Virginia city does."

PORTSMOUTH

Just across the river from Norfolk lies Portsmouth, where the big government shipyard is located. Its population in 1920 was 54,387; it is primarily a port and a manufacturing city. It has had several managers since it began to operate under this form of charter in January, 1917. There was no such care given to the selection of a competent manager as in Norfolk or Petersburg or Lynchburg, and I was told that the first two managers, both engineers from outside the city, failed to command public confidence. General Jervie, a military engineer, the third manager, remained for five years, and was succeeded in 1926 by Frank C. Hanrahan, who is manager at this time. A well-informed citizen stated that there has been a fair degree of satisfaction with the managers, but that there was no such strong or unified public sentiment developed before the new charter was adopted as there was in Dayton or Springfield or Cincinnati. "The greatest need here," he said, "is a positive and thoughtful and well-informed public opinion. All the new charter does is to give us a chance to have satisfactory government, if we want it."

OTHER VIRGINIA CITIES

Alexandria, Charlottesville, and Fredericksburg were among the other cities in which inquiries were made but not thoroughly enough to make possible a real comparison of new conditions with the old. In all three the general opinion was that government under the managers have been much more economical and effective than formerly. The Virginia cities proved to be so thoroughly favorable to the appointive-executive idea that the latter part of the trip proved to be rather monotonous, because of the sameness of the replies received. They varied mainly in the degree of improvement reported.

BUDGET-MAKING IN SEVEN CITIES

BY MABEL L. WALKER

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The author has made personal observation of budget practice in seven of our largest cities. :: :: :: :: :: :: :: ::

Probably few city governments have attained the lily-white stage, but at least the old stench, which inspired Bryce's famous dictum, has largely disappeared, and the Gold Dust twins that are particularly responsible for the modern approach to cleanliness are devices that have been borrowed from the business world—the budget and the audit. With these two safeguards functioning properly, the bulk of dishonest practises becomes extinct. But the budget is something more than a mere contrivance to check dishonesty on the part of public officials. Through it governmental functions are more carefully balanced one against the other than under the old, and not altogether passé, method of logrolling. When properly carried out, the budget becomes a means for making government, at the same time, more intelligent and more intelligible.

Who wields this powerful tool of municipal government? The answer depends upon the individual city. Budget procedure in actual practise is far from being standardized. In one place the potency of the budget as an executive tool is tremendous; in another it is frittered away.

Seven cities—Chicago, Milwaukee, Detroit, Cleveland, Buffalo, Philadelphia and Baltimore—were visited in an attempt to get some first-hand data on actual budget-making procedure. The present article is intended to give some idea of the extent to which two types of limitation, that is, external governmental restrictions and overlapping authority within the government, are found in these cities.

The following sketch is not intended to indicate the desirability of any particular division of power over the budget as exemplified by the cities discussed. Quality of government and the spirit of the community vary considerably from city to city. The best method of budget-making procedure for any one of these cities is not necessarily the best for any of the others. That such an extreme example of decentralization as that which exists in Chicago will always be attended by grave difficulties seems obvious, but the exact extent to which legislative control should go or the degree to which county complications should be permitted, as well as the shading of power between the executive and legislative departments within the city, are questions which will probably always need to be considered with respect to the particular municipality.

CHICAGO

To an outsider the financial structure of the Chicago government appears very complicated. First, there is the county, which comprises an area approximately four times as large as that of the city. The assessment and collection of taxes are functions of the county. The school district grew out of the township system and its rate of levy is fixed by the legislature. When created the park districts were without the corporate limits of the city. The sanitary district came into being because the debt limit fixed by the legislature did not allow for sufficient outlays to meet the sanitary needs of the city. In all there are approximately thirty local governments functioning in Chicago.

Of the functions left to the custody of the city government, some receive support from particular funds: for example, street repairs from the vehicle tax, and water supply from water rents. Not even all of the policemen are under the control of the city. One can stand at the intersection of Washington Street and Michigan Boulevard and watch the policemen of the city protecting lives and property on the former while the police of the South Park Board, dressed in different uniform, do likewise on the Boulevard.

The city government cannot determine its basis of assessment, it cannot fix its tax rate, and only within limits can it distribute its appropriations.

The Chicago budget is legislative rather than executive. Departmental estimates, i.e., estimates for those departments which are under the control of the city government, are submitted to the comptroller in September. He may cut and revise them as he sees fit. He is then required to submit these estimates, as revised by him, to the finance committee of the city council before December 1. The finance committee then proceeds to make up its estimates. Shortly after January 1 these estimates are submitted to the mayor. He is allowed ten days for consideration of the budget and may recommend either increases or decreases to the finance committee. His recommendations are usually, but not always, followed.

MILWAUKEE

In Milwaukee responsibility for the budget is divided between the mayor, the board of estimates, and the common council subject to certain state and county restrictions. The state has placed a limit of nine and five-tenths mills per dollar of total assessed valuation on the levy for educational purposes; and of course certain fixed charges must be met. For other purposes the general city limit cannot exceed ten mills. Expenditures, other than fixed charges, thus cannot exceed nineteen and five-tenths mills on the dollar. But to this amount must be added sinking fund and interest charges. However, certain functions—charities, for example—are maintained by the county instead of the city.

The common council is legally responsible for the budget. Departmental estimates are submitted to the comptroller who lays them before the board of estimates, composed of the mayor, president of the city council, comptroller, treasurer, city attorney, commissioner of public works, and the members of the finance committee of the council. The finance committee consists of five aldermen. As a matter of fact the bulk of the budget-making is done by a small inner group, composed of the mayor, the commissioner of public works and the chairman of the finance committee. Questions of policy are determined by the board. All board meetings are by law open to the public and it is required that at least one public hearing be granted before the budget is submitted to the council. The council must also hold at least one public hearing.

The council may make such changes in the budget as it sees fit. The mayor then has the power to veto any of the items, but the council may, if it wishes to do so, pass such item over the mayor's veto. The school board and the local board of industrial education make up their own budgets which are not subject to revision either by the board of estimates or the council. Forty per cent of the total budget is thus removed from the control of the city government. Milwaukee, though much less handicapped than Chicago, is still far from having centralized budget control.

DETROIT

Detroit has an entire bureau devoted to the business of auditing and budget-making. The staff comprises a budget director, assistant budget director, examining engineer, statistician, fourteen accountants, and three stenographers. A member of the budget bureau is assigned to each department of the city government to work in connection with that department the year round. Budget distribution is not determined pro rata, but by an analysis of past expenditures and improvements during the year. Comparison is also made with other cities.

The fiscal year in Detroit is from July 1 to June 30. On January 1 blank forms for budget estimates are sent to the department heads by the budget bureau. These are returned about the fifteenth of January. Comparative figures for previous years are supplied by the bureau and the whole is printed in a book of monumental proportions. A sufficient number of blank columns are left to take care of the numerous revisions the budget will receive. When the process has been finally completed it is thus possible to see at a glance what modifications the original request has suffered at the hands of each successive official. First the budget is analyzed and recommendations made by the budget director. It then goes to the mayor. At this time he may make any changes he desires. The mayor transmits the revised budget to the common council who sit as a committee of the whole and may increase or decrease any item. On the third Tuesday in April the budget returns to the mayor who may veto any item but cannot make any increases. When the budget is again returned to the council any item of which the mayor has disapproved may be passed over his veto.

Detroit has much more freedom in determining expenditures than either of the two cities previously discussed. No departmental appropriations are fixed nor are tax levies determined by the legislature, although two per cent of the assessed valuation of the city is set as a limit for current expenses and debt services combined. The school budget is subject to revision by the budget-makers, although schools are permitted to make their own purchases and "are supreme within their budget."

CLEVELAND

Cleveland has constitutional home rule, but it does not apply to taxes and debts. The city is allowed a rate of fifteen mills (until 1927 it was ten mills) on the assessed valuation, but in some mysterious way this can be increased to twenty-five mills, and this is where it usually hovers. Schools and libraries are included within this limit, but the city officials have no authority over them and their expenses do not appear in the published budget of the city government.

The division of accounts sets the Cleveland budget procedure in motion by sending out estimate forms to department heads about the middle of September. They are returned a month later and are assembled and compiled by the division for the consideration of the manager. Meanwhile the director of finance sends the manager a statement setting forth the "total probable income of the city from taxes for the period covered by the estimate" plus an itemization of all other anticipated revenues. He also states the amount that will be needed for interest, sinking fund, and other fixed charges.

The manager presents his estimate to the council in December. It is supposed to be passed by January 1 (the beginning of the fiscal year) but this does not always happen. When the budget is not completed by January 1 the council may, upon recommendation of the city manager, vote preliminary appropriations to be charged against the budget allotments of the various departments. The council has power to change any items in the budget but cannot increase the total unless there are indications that receipts will be heavier than earlier estimates indicated. Public hearings must be held on the budget as presented to the council by the manager. The council is legally responsible for the budget. The division of accounts and the manager make it.

BUFFALO

A newly-fledged budget division, scarcely a year old, is functioning in Buffalo. Estimate forms are sent out about the first of January by this division. The department heads are allowed one month in which to make up their estimates for the coming year. At the end of that time they must be returned to the budget division. There they are compiled and submitted to the mayor. The division has power to correct and revise the estimates before they go to the mayor. The mayor may make any changes he sees fit. The budget is then passed on to the council who may likewise change it. It is returned to the mayor who has power to veto any item. The council may, and at times does, override his veto.

In addition to this division of responsibility within the city there are certain external restrictions on budget-making. Only the total of the school budget is subject to revision by the budget-makers. The schools make their own purchases and control their own payrolls. Five-hundredths of one per cent of the total assessed valuation goes to libraries. Some fines go to the police fund. Otherwise, all revenues go to the general fund and all appropriations are made from it.

PHILADELPHIA

Budget-making in Philadelphia is a very decentralized affair. It's easy to pass the buck and everybody concerned can offer an alibi. The city and county are coterminous, but they are not one and the same. The departments of public safety, public works, health, welfare, supplies, wharves, docks and ferries, city transit, law, city architect, library and museums are under the control of the mayor and are known as city departments. He has no control over the so-called "county departments," such as the city controller, commissioners of sinking funds, city treasurer, etc. The schools belong to neither city nor county. Pennsylvania law divides the state into school districts which are independent taxing bodies, comparable to municipalities. Moreover, there are certain poor districts, concerning which there is much vagueness, which are also possessed of separate taxing powers. They are hangovers from the past and as their rates are petty they do not figure conspicuously in the city government.

But this isn't the full story of scattered responsibility in budget-making, for there is no unified control over even such a remnant of the city budget as is left. The controller is required by law to furnish the mayor with an estimate of receipts and liabilities for the coming year with a statement of the borrowing capacity of the city, which the mayor transmits to the council. The council is legally bound to accept these estimates.

Meanwhile, all department heads, excepting the schools, are required to submit estimates for the coming year to the budget clerk, an appointee of the mayor. The mayor revises the estimates coming from the departments under his control, but has no power to revise the so-called county estimates. The budget goes to the council in two parts, one labeled "Departments under the Mayor," and the other, "Departments not under the Mayor." The council has full power to revise all of the items, but the appropriations ordinance must be signed by the mayor.

BALTIMORE

Budget-making procedure in Baltimore is simple and responsibility is more clearly defined. All department heads are required to submit estimates for the needs of the coming year to the budget clerk, who is also the director of the bureau of disbursements. This position comes under the civil service and the present incumbent has held office for eleven years. He checks over the items to see that they are in proper form, but does not otherwise revise them. A budget committee, consisting of the budget clerk and the chief engineer, then revises these estimates in accordance with administration policies. When they have completed their task of revising the estimates according to the desires of the mayor, the proposed budget is submitted to the board of estimates by the mayor.

The board consists of five members, two of whom are appointees of the mayor, the chief engineer and the solicitor, and three of whom are elected officials, the mayor, the president of the council and the comptroller. Of the five votes, the mayor controls three. Legally, the board is responsible for the budget. Actually, the mayor has the ultimate control. Budget meetings are held in executive session although public hearings are granted when desired. The council has no power to increase any budget item. It has power to decrease the budget, but as it has never exercised this power, nor is it likely to do so, its relation to the budget is perfunctory.

SUMMARY

Summarizing the above, in four of the cities, Milwaukee, Detroit, Cleveland and Buffalo, the preponderance of budget responsibility seems to be with the executive. It is rather difficult to locate the scattered remains of budget responsibility in Chicago, but it seems to be with the council. This body is undeniably more powerful in Philadelphia. Baltimore has an outstanding executive budget.

One of the most drastic forms of state participation in budget-making is found in limitations upon the tax levy. Detroit, Chicago, Milwaukee and Cleveland are confronted by restrictions of this type.

Functional appropriations wholly or partially removed from the control of the city may be found in every one of the seven cities. This may happen in any one of several different ways. There may be independent taxing bodies such as the schools and poor districts of Philadelphia or the thirty-one different governments of Chicago. Certain functions may receive a stipulated proportion of the total assessed valuation, as in the case of the Detroit street-opening and zoölogical park taxes, and the Cleveland school and library taxes. Or a fixed amount may be designated for particular enterprises as exemplified by some of the Buffalo funds. Another form of state interference in functional appropriations is illustrated by the Baltimore police appropriations. Some years ago the police department was made accountable to the state. Its annual reports are now made to the governor and although its financial support comes from the city budget it may and at times does appeal to the legislature for an increase of funds. If approved by the legislature, the city government must grant the increase.

In addition to the above restrictions on budget distribution, the practise still remains of tying up certain revenues to particular functions, often in no way related. The most glaring example of this procedure is to be found in Baltimore. Many years ago when the first street-car franchise was granted, it was done with the stipulation that a certain proportion of the gross proceeds was to be turned over to the city and to be used for park maintenance, and in this manner the parks have been maintained from that day to this. If street-car receipts fall off the parks funds do likewise, and vice versa. In Detroit, court fines go to the library fund and proceeds from dog licenses to police pensions. In Buffalo revenue from fines is assigned to the police pension fund. More logical are the provisions that vehicle taxes be used for highway maintenance in Cleveland and Chicago. In several of the cities revenues from the water department are used for the support of that department.

County entanglements add to the complexity of the situation. Baltimore is not in a county and so escapes this complication altogether. The area of Philadelphia is coterminous with that of the county. Approximately half of the city departments are assigned to the county. Both the city and county departments are under the council, but only the former are under the jurisdiction of the mayor. The other cities are located in counties covering much more area than themselves. The line of demarcation between city and county responsibilities is not uniform. Milwaukee has its charitable work performed by the county. In some of the cities the assessment and collection of taxes are county rather than city functions.

A PROPOSED PLAN OF ADMINISTRATIVE REORGANIZATION FOR OKLAHOMA

BY GEORGE W. SPICER

University of Virginia

A reorganization of the state government is proposed which professes to express short ballot ideas, but which neglects certain underlying principles. :: :: :: :: :: :: :: :: ::

THE purpose of this article is to give a general critical analysis of a proposed program of administrative reorganization for Oklahoma, prepared by Ben F. Harrison, budget officer, and submitted to the governor of Oklahoma. Mr. Harrison shows the need for administrative reorganization, and proposes a plan which he believes will remedy the numerous defects in the present complicated and disorganized administrative system of the state.

PRESENT ADMINISTRATIVE ORGANIZATION

This study revealed conditions not unlike those in other states that have failed to reconstruct their administrative machinery. In the present state government more than one hundred separate agencies have been provided to carry out the administrative functions of the state. Within this multiplicity of agencies there is a complete lack of coördination of those performing similar functions. There is also a wide division and dissipation of responsibility, as illustrated by the fact that nineteen of the state administrative officials are popularly elected, and responsible to no other official. Great confusion and lack of plan are further revealed in the form of agency provided for the various administrative functions, and in the method of selection, tenure and compensation of the administrative personnel. Pressure of space does not permit a discussion of these matters.

PROPOSED PLAN OF REORGANIZATION

The proposed plan of administrative reorganization was formulated with two main objectives in mind: first, the logical grouping of related governmental activities into several major departments, and second, the simplification of the ballot by the reduction of the excessive number of elected officials.

It is by no means certain, however, that the scheme of reorganization proposed will accomplish the results usually claimed for administrative consolidation. There are a number of features of the proposed plan that are at variance with, if not contrary to, recognized standards of state administrative reorganization and consolidation evolved from the experience of the past decade or more. It may be of some interest to give these points brief consideration.

DEPARTMENTS "HEADED" BY BOARDS

In the first place the plan of departmentalization, having as one of its avowed objects the establishment of definite and fixed lines of responsibility in the performance of all administrative tasks, is, for the most part, calculated to destroy responsibility. Of the twelve proposed departments, all but two, the executive department, headed by the governor, and the department of law, headed by the attorney-general, are "headed" by boards or commissions numbering from three to seven members.

In the case of the proposed department of education, not only is there no single administrative head, but the department is divided into three divisions each of which is, from the administrative point of view, separate and distinct from the other. First, the board of education composed of five members would administer the common and secondary schools; second, a board of regents composed of seven members would deal with higher education of an academic type; and third, the agricultural and technical institutions would be placed under a board of regents for agricultural education. Thus it is seen that in the case of education virtually three departments are set up, neither of which is headed by a single director.

Again, the department of taxation and finance would be composed of three commissioners, each heading a division or a series of divisions; and a division of administration and finance made up of the budget officer, the examiner and inspector, and a newly created purchasing agent. Here again, there is proposed what amounts to a multiple department with no single, responsible director. Similar recommendations are made for most of the other proposed departments.

This plan of departmentalization is surprising when considered in connection with the emphatic assertion of the report that a government, to be effective, "must be organized in such a manner that the people may fix responsibility for the success and failure of their public servants." (See page 8 of the report.)

Experience seems to have demonstrated that boards in a purely administrative capacity are inefficient. The division of powers between the various members of a board frequently means a lack of initiative and the absence of responsibility. Instead of definite lines of responsibility, there is a wide division and dissipation of responsibility.

This board system is, furthermore, not calculated to promote the avowed desire of the report to remove the administration from politics. It gives the governor more important favors to distribute among his friends, and increases his temptation to use his appointing power for personal and political motives, since in this case responsibility is more difficult to exact.

SHORT BALLOT PROPOSAL

Certain features of the short ballot proposal are likewise not calculated to achieve the avowed objectives. The proposed plan, in the interest of more efficient and more responsive government, provides for "a heroic reduction of the excessive number of elective officials," but leaves the two offices of state auditor and state treasurer on the elective list. In the proposed plan of departmentalization these two offices are placed in the department of taxation and finance, the former in charge of public claims and warrants, and the latter in charge of the division of deposits and disbursements. It is admitted by the author of the report that these are "essentially professional or technical offices," and that the people may have only the slightest knowledge of their nature, but that since they "deal with matters which the people feel are of very vital interest to their welfare," they should be elected by the people.

With the above exceptions the proposed program seems to be in keeping with the objects sought. To carry such a program into effect will require not only extensive statutory changes, but the constitution of Oklahoma will have to be materially amended. This is especially true with regard to the short ballot proposal, since the constitution in a number of instances specifically provides that the offices to be affected shall be filled by popular election. As yet nothing has been done about this program of reorganization; it has never been formally before the legislature.

STATEMENT OF THE OWNERSHIP, MANAGEMENT, CIRCULATION, ETC.,

Required by the Act of Congress of August 24, 1912,

Of NATIONAL MUNICIPAL REVIEW, published monthly at Concord, New Hampshire, for April 1, 1930.

STATE OF NEW YORK, COUNTY OF NEW YORK, SS.

Before me, a notary public, in and for the State and county aforesaid, personally appeared H. W. Dodds, who, having been duly sworn according to law, deposes and says that he is the editor of the NATIONAL MUNICIPAL REVIEW and that the following is, to the best of his knowledge and belief, a true statement of the ownership, management, etc., of the aforesaid publication for the date shown in the above caption, required by the Act of August 24, 1912, embodied in section 411, Postal Laws and Regulations, printed on the reverse of this form, to wit:

1. That the names and addresses of the publisher, editor, managing editor, and business managers are:
    Publisher, National Municipal League, 261 Broadway, New York, N. Y.
    Editor, H. W. Dodds, 261 Broadway, New York, N. Y.
    Managing Editor, None.
    Business Managers, None.

2. That the owner is: The National Municipal Review is published by the National Municipal League, a voluntary association, incorporated in 1923. The officers of the National Municipal League are: Richard S. Childs, President; Carl H. Pforzheimer, Treasurer; Russell Forbes, Secretary.

3. That the known bondholders, mortgagees, and other security holders owning or holding 1 per cent or more of total amount of bonds, mortgages, or other securities are: None.

4. That the two paragraphs next above, giving the names of the owners, stockholders, and security holders, if any, contain not only the list of stockholders and security holders as they appear upon the books of the company but also, in cases where the stockholder or security holder appears upon the books of the company as trustee or in any other fiduciary relation, the name of the person or corporation for whom such trustee is acting, is given; also that the said two paragraphs contain statements embracing affiant's full knowledge and belief as to the circumstances and conditions under which stockholders and security holders who do not appear upon the books of the company as trustees, hold stock and securities in a capacity other than that of a bona fide owner; and this affiant has no reason to believe that any other person, association, or corporation has any interest direct or indirect in the said stock, bonds, or other securities than as so stated by him.

H. W. DODDS,
Editor.

Sworn to and subscribed before me this 27th day of March, 1930.

MARY DONOVAN,
Notary Public.

[SEAL]
(My commission expires March 30, 1931.)

RECENT BOOKS REVIEWED

HOW GREAT CITIES ARE FED. By W. P. Hedden. New York: D. C. Heath, 1930. 302 pp.

This book deals with a very important problem in social research. The feeding of the city is a matter on which we have always needed but always lacked dependable quantitative information. Hedden has made a very good beginning, outlining as he does the general process of getting, for instance, a half-million carloads of food into New York City each year. This enables him to discuss milk sheds and food sheds, the place of refrigeration, and the long haul of perishables, terminal problems, middlemen, costs and profits, and the problem of waste. In most cities the procuring and distribution of food has heretofore gone on pretty much under the direction of *laissez faire*. Public control is gradually getting the upper hand, though we must admit that in spite of minor shortcomings, *laissez faire* has not done a bad job. It is not unlikely that in the future, in spite of the best state and municipal control, *laissez faire* will still rule behind the scenes.

Feeding the city becomes more complicated yearly, so much so that merely growing the foodstuffs is now but a fifth or a fourth of the task of actually getting it to the urbanite. The city wants variety, and all the year through. Meeting these demands in season and out tends to knit the whole world into a single producing, transporting and consuming entity. It operates with the precision of a machine—the producers, middlemen, inspectors, transporters and retailers acting as tenders along the route. The process itself has become as much a habit as the great variety of eating habits that it satisfies from day to day.

Hedden's method is quantitative throughout. Most of his data are from New York, but that is only because data from other cities are not available. What would be very valuable now would be to supplement this book with a study of the actual distribution of the city's food. Who eats it? What goes to restaurants and what to homes? Information like this would add much to our knowledge of urban family life.

NELS ANDERSON.

Columbia University.

THE CITY OF TOMORROW. By Le Corbusier. (Translated by Frederick Etchells.) New York: Payson and Clarke, Ltd., 1929. 302 pp.

This is an imposing work filled with controversial statements, many in conflict with each other, and as many wholly out of harmony with the spirit of what we might think the city of tomorrow should be.

A master architect, a leader of a special school of planning, a skilled polemic, and a craftsman of no mean ability as a builder of catchy phrases and plausible aphorisms—Le Corbusier has written a book that should be read. If he were as right as he is plausible, his book would be epoch-making; for we would merely have to follow the rules and principles laid down by the author to solve all our problems and create "The City of Tomorrow."

The present reviewer is unaware of any work wherein so much is made of geometry as a basis for planning design. By skillful roundabout methods the author endeavors to uphold the straight line as the only true norm for good community planning.

As I read and reread this work I was constantly forced to ask if the mechanistic theory of the city as "a machine for working in" is not rather at variance with our hope that we might build cities which would be primarily places worth living in. The geometric theory which leads to the super-regimentation of human beings in huge structures does not seem to harmonize with the statement in the foreword which demands that the town should be "a source of poetry," unless it is expected that sheer size will function as the goddess of inspiration.

To assume that "the human animal is like the bee, a constructor of geometrical cells" and then to show that this is exactly where man has failed, since he has not constructed in geometrical forms, is merely to prove that the first contention is wrong and that human beings are not the bee-type of builders.

In the chapter called "Sensibility Comes into Play," Le Corbusier tries to prove that the straight line is the line of civilization. His method of proving it is by a series of interesting and arresting reiterations. To be sure, this chapter is filled with grand and quotable phrases that any city planner might use for some given purpose, but when the last lines are read you feel that the author has performed a great feat in fine tracery without following the orthogonal method in thinking which he advocates for city building.

In speaking of housing Le Corbusier proposes that homes can achieve the needed harmony with their surroundings and modern needs only by the elimination of details and by mass production in order to achieve an architectural symphony. Here it seems that the assumption of a need for mass production is based upon mass housing and the close proximity of large multiple-dwelling structures which great tenement cities demand. We have no quarrel with the idea that whole streets may be planned as units, but we very much doubt if such planning should be founded upon standard units, suitable and prompted by the common—shall we say lowest common denominator—of public taste.

In one place the book speaks of the New York skyscraper as the inevitable means of solving our problem, and in the next page we are asked to plant trees in the midst of our labors. One might ask how in the name of heaven we could find any reasonable proportion in the relation between huge skyscrapers and the usual street tree that we have available for adorning our streets. Indeed we might ask if this super-regimentation of housing, architectural design and mass production will leave the city enough soul to find room for such sentimentality as mere trees.

One cannot help regretting that Le Corbusier did not think of the last sentences in the book first. "Things are not revolutionized by making revolutions. The real revolution is in the solution of existing problems." To accept congestion as a real need and to proceed to rebuild without reconstructing the idea of the city is not revolution but devolution. What is needed is not a new way of accepting false methods of human community building, but a new philosophy of community building which is based, not upon geometry and orthogonal supremacy, but upon the more intricate and diversified needs and aspirations of the human soul.

I am aware that many of Le Corbusier's admirers will not agree with this review. They will claim, and with justification, that the book is filled with suggestions and ideas for the solution of our present city-planning problems, and with this I am in hearty accord. The real issue is whether the solutions he presents are not merely radical palliatives intended to meet a serious problem of modern urbanism, or whether we need a new concept of the modern city.

Let the reader not assume that there is nothing of value in this work. I would urge every one interested in city planning, either professionally or as a citizen, to read it.

CAROL ARONOVICI.

Los Angeles.

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THE GOVERNMENT AND ADMINISTRATION OF THE DISTRICT OF COLUMBIA: SUGGESTIONS FOR CHANGE. By Laurence F. Schmeckebeier and W. F. Willoughby. Washington: The Brookings Institution, 1929. xi, 187 pp.

TOWN GOVERNMENT IN MASSACHUSETTS (1620–1930). By John Fairfield Sly. Cambridge: Harvard University Press, 1930. viii, 244 pp.

These two books deal with local government in very different types of communities. The one deals with an urban region of over half a million population which is the capital of the nation, where, in addition to the usual functions of municipal government, there are activities controlled elsewhere by state governments and special problems as to relations with the national government. The other deals with towns in a New England state ranging from rural areas of a hundred population to urban and suburban communities of nearly 50,000. Yet, along with many points of difference, there are some common features in the topics discussed.

The study on the District of Columbia follows a detailed descriptive volume published in 1928 by the Institute for Government Research, and presents a series of important changes proposed in the administrative arrangements and methods. These deal on the one hand with a readjustment of the relations between the district and the national government, and on the other with a reorganization of the machinery of district government. In the first group are proposals to relieve the general agencies of the national government of functions relating to the local affairs of the district. In the second group are proposals for a legislative council, a more centralized administration under a manager and a reorganization of departments, especially those dealing with finance, education, law enforcement and judicial administration. These latter for the most part follow the general trend of administrative changes in city and state governments in recent years. One chapter discusses the reform of the system of taxation. The most novel proposal is that for a legislative council, to consist of five members, appointed by the president and senate, and the chairmen of the senate and house committees on the District of Columbia.

About half of Mr. Sly's study of Massachusetts town government is devoted to the earlier history, with chapters on Settlement, Institutional Beginnings, a Critique of Town Origins, and the Town of the Eighteenth Century. The later chapters deal with the social changes of the last century, town-meeting government today, recent experiments with limited town meetings and administrative improvements, including the town-manager plan, and general conclusions. The emphasis is laid on the town-meeting system, and the main conclusion is that no simple formula or political machinery will solve the problem of satisfactory government. Those interested in the specific problems of governmental activity will miss any adequate consideration of the present-day functions of the towns or of the significant development of state supervision, especially in the field of finance.

John A. Fairlie.

University of Illinois.

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The Tax Situation in Illinois. By Herbert D. Simpson, Ph.D. (Published by the Institute for Research in Land Economics and Public Utilities, Northwestern University, Chicago, Illinois.) 1929. 104 pp.

This monograph presents the results of a survey of the operation of the general administrative organization for the assessment of property in the state of Illinois. At the present time the state and local governments of Illinois derive about 84 per cent of their tax revenues from the general property tax. This study concentrates upon the assessment of real estate. The first half presents the facts for Chicago and the state outside of Chicago by subjecting the results of the existing tax system to statistical test and mathematical measurement; the second half presents results that are not susceptible of statistical measurement, outlines the causes that favor the growth of present conditions, and suggests the general direction in which relief seems to lie.

Professor Simpson discloses a startling state of affairs in the assessment of real estate in Illinois. While a knowledge of individual cases invariably leads us to believe that there is gross injustice in tax administration, it is only by the analysis of a large number of representative cases that we can discover actual results and the concealed effects. Professor Simpson's method in the main is to compare actual assessments of parcels of property with the actual sales value. His Chicago study shows that assessments in 1923 range from 1 per cent to more than 100 per cent of sales value, and with no real concentration of properties in any percentage group; that from 1923 to 1927 the average percentage deviation from the level of uniformity ranged from 40 per cent to 37.7 per cent; that there was a marked discrimination in favor of vacant land as against improved land, vacant land showing an average assessment of 19.7 per cent of sales value and improved land an average assessment of 32.4 per cent.

The facts on the situation outside of Chicago are equally startling. Here the average percentage deviation from the level of uniformity, which furnishes a good test of the equality or inequality of the system, was 33.6 per cent for 1926 and 34.1 per cent for 1927. This study of the transfers of property also showed that the inequalities favored the cities at the expense of the smaller villages and the farms. The study of properties classified according to values exhibited actually regressive taxation to an unusual degree.

The distinctive merit of the study is its presentation of the facts. The bars and charts which analyze and illustrate the tabulations are an excellent feature of the monograph. By applying the methods of statistical science to an actual situation Professor Simpson has given us one of the best case studies on the administration of the general property tax yet produced.

Martin L. Faust.

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The Taxation of Intangibles in Kentucky. By Simeon E. Leland, Ph.D. (Bulletin of The Bureau of Business Research, College of Commerce, University of Kentucky.) Lexington, Kentucky, 1929. 50 pp.

Prior to 1918, intangible property was taxed in Kentucky under the general property tax, but since that date intangibles have been reached through the medium of special low-rate taxes. This study considers, first, the taxation of intangibles under the general property tax, and second, the taxation of intangibles under the system of special low rate taxes.

Professor Leland found the old system seriously defective. It operated unjustly as to the owners of intangibles; the assessments were faulty; the tax did not yield revenue. "From every angle the general property tax failed adequately to tax the intangible property."

In 1917 Kentucky adopted the following measures for the taxation of intangibles: (1) a four-mill tax on intangibles; (2) a one-mill tax on bank deposits and building and loan association shares; and (3) a mortgage-recording tax. Other special taxes adopted at that time are not considered in the author's survey.

Professor Leland's very adequate summary of the results achieved will undoubtedly be of special interest to the reader. He concludes as follows:

> The Kentucky experiment in taxing intangibles at a low rate has on the whole been successful. Two methods have been employed in reaching this property. A rate of four (now five) mills has applied to intangibles generally and they have been taxable at the domicile of the owners upon the basis of voluntary declarations by the taxpayers. As a check upon these assessments, corporations doing business in the state have been required to report the holdings and the names of Kentucky stockholders to the state tax commission. That body has classified the returns by counties and has used these data to check cases of the omission of this property from assessment rolls. The assessment of intangibles increased immediately after the adoption of this administrative aid, and in 1926 information was collected covering about one-fifth of the assessed valuation of this property. The low rate *per se* produced a substantial increase in assessed valuations immediately after its adoption, but subsequently the assessments and the revenue from the tax declined. A portion of this decline can properly be attributed to the post-war depression. From the standpoint of revenue-productivity the low-rate tax was somewhat of a disappointment. The yield of this tax did not exceed that under the general property tax until it had been in operation eight years, and even today in some counties the yield is less than was formerly collected under the general property tax for state and local purposes. The yield of the present tax, however, goes to the state alone.
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> The second type of classification for intangibles is found in the one-mill tax on bank deposits. The tax is assessed directly against the banks on their deposits on a given day and may in turn be deducted from the account of the depositor. Such deductions are in fact seldom made. The tax is very effective in securing the complete assessment of bank deposits, but as a revenue producer the results are somewhat disappointing. The total revenue from this tax did not exceed the total collections of the general property tax on bank deposits until seven years after the adoption of the one mill tax. Nevertheless, the tax should be adjudged a success and is to be considered as one of the most successful applications of the principle of "collection at the source" in the United States.

Martin L. Faust.

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MUNICIPAL REPORTS

Fort Worth, Texas. *Report of the Third and Fourth Years of Council-Manager Government. By O. E. Carr, City Manager.* 47 pp.

For attractiveness this report will be difficult to surpass. The artistic design on the front cover is symbolic of the attractiveness of the entire report. It has a contents page, chart of the administrative organization, well selected pictures, and just about all the characteristics of an excellent report. Two pages at the beginning deal with the early history of Fort Worth and the development of the city's government from the time of its incorporation in 1873 to the present council-manager charter adopted in December, 1924. This is followed by three pages of "High Lights from Various Departments," from which one gains a good idea of the progress which is treated in greater detail in the remaining pages. One observes, among the many accomplishments, that centralized purchasing saves the city $50,000 annually, that since 1926 the city has supported by tax levy all welfare work formerly supported by the community chest, and that since the advent of the council-manager plan it has been a fixed policy of the city to appropriate one-tenth of the tax money to permanent improvements.

If a reviewer must be critical, objection can be made to the occasional failure to place the charts with the relevant text, and to the illogical general arrangement of departmental reports. For example, a page on Meacham Field, the airport, looks out of place in the beginning of the report, while another page dealing with the same subject is found between the report of the purchasing department and that of the city secretary-treasurer. Then after a span of ten or twelve pages the city auditor's report appears. It would seem more suitable to place the reports of all officers dealing with the same general function on adjacent pages. It must be frankly admitted, however, that to give adverse criticism of so good a report is not an easy matter.

Rhinelander, Wisconsin. *Fourth Annual Report for 1929. By Theodore M. Wardwell, City Manager.* 22 pp.

To a city of 8,000 people this report will serve a very useful purpose. It is brief, being but 22 pages in length, and nearly one-half the space is devoted to pictures illustrating the activities covered in the text. Its completeness is evident from the following topical headings: the council, city manager, city clerk, city treasurer, assessor, auditing, city hall, police, fire, weights and measures, health, public works, water, library, parks and playgrounds, cemetery, public schools, public finance, and a general bond schedule.

If departmental statistics had been more carefully selected and more comparative figures for previous years given, the report would have been more interesting and afforded a more accurate basis for appraising the present year's activities. For example, the police record gives the number of arrests arranged by months. It would have been more informative to have given also a classification of the number of offenses known to the police. The section on public finance seems a bit heavy. This should have been broken up more by a few clear charts to make it more easily understood. All in all, however, it is a very creditable report.

Clarence E. Ridley.

REPORTS AND PAMPHLETS RECEIVED

EDITED BY WELLES A. GRAY

Assistant Director, Municipal Administration Service

A Standard Code for Traffic Control Signal Installation and Operation, 1929.—By Miller McClintock and Maxwell Halsey, Boston, September, 1929. 75 pp. This is a set of rules and regulations laid down by the Massachusetts Department of Public Works for regulating traffic control signals. The state legislature gave the department complete control over all traffic signals erected in the commonwealth. It is the purpose of this bulletin to inform city and town officials of the underlying principles involved in the successful operation of traffic control signals, and to set forth the uniform standards and practices which the department requires before approving any signalling devices installed by municipalities. Signals in use in Massachusetts, the report of the American Engineering Council Committee on Street Traffic Signs, Signals and Markings, and traffic engineers' proposals were the bases for this uniform code. Wherever possible, present practices are incorporated. The code itself is presented in an unusually clear fashion, for after practically every section there is an explanatory note giving the reasons for the section and showing clearly how it will operate. Copious figures and diagrams clarify it still further. It lays down rules as to the minimum traffic conditions which require control by signal, and standards of design, installation and operation. There is a separate section on auxiliary signs. (Apply to the Department of Public Works, State House, Boston, Mass.)

Proceedings of the National Tax Association, 1929.—By National Tax Association, Columbia, S. C., 1920. 557 pp. Among the topics covered by these proceedings are the New York State tax system from the viewpoint of the investigator, the taxpayer, and the administrator; the Pittsburgh graded tax; and the tax burden of the farmer. (Apply to National Tax Association, 195 Broadway, New York.)

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Real Estate Problems.—*Annals* of the American Academy of Political and Social Science, vol. CXLVIII, no. 237, March, 1930. 316 pp. This issue of the *Annals* is devoted to some of the complex economic and social problems which arise from the exploitation and use of land. It is divided into three parts, the first dealing with general problems; the second, with problems incidental to urban real estate; and the third, with rural real estate problems. Classification of real estate, appraisal and valuation, the unearned increment, the influence of public improvements, the Pittsburgh graded tax and other tax problems, going value, and farm real estate values and farm income are among the topics discussed. (Apply to the American Academy of Political and Social Science, 3622 Locust St., Philadelphia.)

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1930 Supplement to the Directory of the Libraries of Philadelphia and Vicinity.—By the Special Libraries Council of Philadelphia and Vicinity. January, 1930. 4 pp. With this

1930 supplement, the *Directory*, originally published in 1926, is brought up to date, and it now lists 238 public, institutional and private libraries in Philadelphia, together with their resources. (Apply to Helen M. Rankin, Free Library of Philadelphia, Logan Square, Philadelphia.)

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The Classification of Property for Taxation.—Compiled by E. R. Rankin. University of North Carolina, Chapel Hill, October, 1929. 93 pp. This publication was designed for use as a handbook by debaters arguing the question of the advisability of an amendment to the North Carolina constitution to authorize the taxation of intangible property. General references, and references both pro and con are included. A bibliography lists 89 further references on this subject. (Apply to the University Extension Division, Chapel Hill, N. C.)

⁂

Taxation of Intangibles.—By C. W. Lewis, Columbus, Ohio, Chamber of Commerce. *Research Bulletin*, February, 1930. 4 pp. This bulletin is particularly pertinent in view of the present revival of interest in the taxation of intangibles in several states. The various kinds of such taxes are analyzed and discussed, and four tables summarize the provisions of the different state laws on the taxation of intangible personal property, the taxation of selected groups of tangible personal property, mortgage registry taxes, and bank deposit taxes. (Apply to Ohio Chamber of Commerce, Huntington Bank Building, Columbus, Ohio.)

⁂

Report of the Joint Legislative Revenue Committee of Illinois.—Peoria, March, 1929. 135 pp. This report gives the results of an investigation made during 1929, by a joint committee of the Illinois legislature, into taxation and the assessment of real and personal property in that state. Particular attention is devoted to methods of assessment and appraisal, and it is recommended that a tax on intangibles be authorized. (Apply to Illinois Legislative Reference Bureau, Springfield, Ill.)

⁂

Apartment Vacancy Survey.—By Rufus S. Lusk. Washington, Bureau of Standards, November, 1929. 40 pp. (Mimeographed.) Here is a study of the apartment-house situation in Washington. Apartment houses are classified according to age, construction, location, management, services rendered, and rentals. Vacancies in these properties are then analyzed with these factors in mind. (Apply to Division of Building and Housing, Bureau of Standards, Washington, D. C.)

⁂

Tabulation of City Planning Commissions in the United States.—By the Bureau of Standards, Washington, D. C., December, 1929. 34 pp. (Mimeographed.) This monograph lists, classifies and analyzes the work and organization of American city planning commissions. (Apply to the Division of Building and Housing, Bureau of Standards, Washington, D. C.)

⁂

Program for Extension of Parks and Parkways in the Metropolitan Region, 1930.—By the Metropolitan Conference on Parks. New York, 1930. 20 pp. Here is a program for extending parks and parkways in the New York metropolitan region. The park problems of the five boroughs of New York City, and of the near-by regions in Westchester County and the Hudson River Palisades are discussed. There are 22 recommendations for parks and parkway extensions to be constructed at a cost of approximately $20,000,000. (Apply to Metropolitan Conference on Parks, Arsenal, Central Park, New York.)

⁂

California State Park Survey.—By Frederick Law Olmsted. Sacramento, 1929. 71 pp. California is peculiarly rich in park resources, and in this survey are presented the various scenic and recreational resources of the state, together with the importance of conserving and utilizing them, not only by means of state parks, but in other ways. Desert, mountain country, forest and wooded lands, seacoast and lake properties, and spots of historic interest, including old mining towns, are fully discussed with relation to present and future park needs of the state. (Apply to California State Park Commission, Sacramento, Calif.)

⁂

City Plan and Twenty-Year Program of Public Improvements for New Rochelle, N. Y.—By the New Rochelle Planning Board, New York, 1929. 116 pp. This report was prepared with the assistance of the Technical Advisory Corporation of New York City. It is a thoroughgoing study of the current and future public works construction projects for New Rochelle. These are evaluated in accordance with current needs and forecasts as to probable city development.

(Apply to Technical Advisory Corporation, 15 Park Row, New York City.)

⁂

Wisconsin City Plan Commissions.—By Ford H. MacGregor. Madison, December, 1929. 25 pp. (Mimeographed.) Here is a study of the powers, functions and activities of city planning commissions in Wisconsin. All aspects of the work of these commissions in that state are discussed. It includes also brief discussions of public land commissions, park commissions and the relation of the state director of regional planning to all of these bodies. Four specimen ordinances establishing city planning commissions are included. (Apply to Municipal Information Bureau, University Extension Division, University of Wisconsin, Madison, Wis.)

⁂

Modern Paving Methods.—By the Eastern Pavement Corporation. Hackensack, N. J., 1929. 96 pp. Though prepared as an advertising project, this book contains much pertinent information on paving. It should be of equal interest to the technician and the layman. It is primarily a description of "Vibrolithic" pavements and the data on that subject are interesting and valuable. Tables and data on various mixtures of concrete and other pavement formulae are also included. (Apply to Eastern Pavement Corporation, Peoples Trust Building, Hackensack, N. J.)

⁂

Report on the Advisability of Consolidating Tarrytown and North Tarrytown, N. Y., as a City.—By the New York Bureau of Municipal Research, New York, February, 1930. 29 pp. Students of regional government will find this report on the proposed consolidation of two of New York City's suburban communities of particular interest. It discusses and compares the financial situations in the two communities, and the services rendered by each. Possible disturbances of the present equilibrium of the two communities and their services are fully analyzed. In conclusion it is estimated that consolidation would bring about a net financial benefit of $96,947.03, and the procedure to be followed in undertaking such a consolidation is set forth. (Apply to New York Bureau of Municipal Research, 261 Broadway, New York City.)

⁂

Council Manager Government in Berkeley, California.—By Helen M. Rocca. Berkeley, 1930. 54 pp. Here is an evaluation of the city manager plan when operating at its best. The report begins with a brief history of the city government of Berkeley. This is followed by a description of the inauguration of the manager plan and a sketch of the departmental organization of the city. The various municipal departments and agencies are then taken up in detail and their work evaluated. (Apply to City Manager's office, City Hall, Berkeley, Calif.)

⁂

Comparative Statistics, Cities of Ohio.—By the Auditor of State, Columbus, 1930, 112 pp. This is the annual compilation of statistics and operating data for cities in Ohio. Included are tables of receipts and expenditures, and bonded debt classified by functions and departments. (Apply to Joseph T. Tracy, Auditor of State, State House, Columbus, O.)

⁂

General Property Tax Levies for Cities, 1928; General Property Tax Levies for Villages, 1928.—By Municipal Statistics Department, Wisconsin Tax Commission, Bulletin No. 31, March, 1929, 4 pp. each. These two bulletins contain tabulations of the assessed valuation and tax levies and rates for general property tax for state, county, local and school purposes. (Apply to the State Tax Commission, Madison, Wis.)

⁂

Sixteenth Yearbook of the International City Managers' Association.—Public Management, 1930. 284 pp. This is really the March number of *Public Management*, the official journal of the Association, and it contains, in addition to the usual run of well-chosen articles on various aspects of city management, a résumé of important developments in the field of council-manager government in 1929, a directory of council-manager cities and their managers, and the proceedings of the 1929 convention of the Association. (Apply to National Municipal League, 261 Broadway, New York City, or to the Association, 923 East 60th Street, Chicago.)

JUDICIAL DECISIONS

EDITED BY C. W. TOOKE

Professor of Law, New York University

Torts—Municipal Liability in Construction and Operation of Airport—Diversion of Surface Water.—Another field of litigation in connection with the recent municipal activity in the construction and operation of airports has materialized in the case of *Mobile* v. *Lartigue* (U. S. Daily, April 1, 1930) decided by the Alabama Court of Appeals on March 25, 1930. The action was brought against the city of Mobile by the owner of land adjacent to its municipal airport for damages on the ground that, although the lands in question were lower than the airport so that the surface water drained naturally from the airport over his ground, the city, in attempting to drain the airport, had caused water to be discharged upon his field in much greater quantities than the natural flow of the water from the dominant to the servient tenement, with the result that a crop growing upon his land was ruined.

Under the well-established rule of law pertaining to surface water rights between dominant and servient tenements, as enunciated and recognized by the Alabama courts, there would seem to be no doubt as to the plaintiff's right to recover for the injury sustained in the instant case if the wrong had been done by a private person, and therefore, the only important question presented in the case was whether the same rule should be applied as against a municipal corporation.

On the part of the city it was contended that in operating the airport it was engaged in the performance of a "governmental function" and hence was not liable in damages for torts, or negligent acts, of its agents or servants. In ruling upon this objection the Alabama Court of Appeals took occasion to review the law of that jurisdiction upon the liability of municipal corporations in tort as based upon a "governmental" as distinguished from a "corporate or ministerial" function, and concluded that the city of Mobile in operating its airport was engaged in a purely corporate capacity and was therefore liable to respond in damages.

The basis of the court's ruling was that an airport is "essentially a part of the city's system of transportation facilities" which bears "a true analogy to a railway station or a bus terminal" and to the case of "work done by a city in connection with the building, repair, and maintenance of its streets (which) is done in a corporate or ministerial capacity, as distinguished from a governmental capacity."

Without questioning the validity of the analogy thus drawn by the court or the correctness of the decision as placed upon such grounds, it may be well to note that the same result could and must have been reached under existing rules of law without the necessity of determining whether the operation of the airport in the instant case was engaged in by the municipality in its governmental or private capacity. In view of the ever increasing state-wide significance of activities formerly conceived of as purely local in character, the distinction between the so-called "governmental" and "private" functions of municipalities has practically outlived its value as a controlling factor in determining liability or immunity for tort. This is manifest not only from the inconsistent results reached on similar facts in the separate states but from the incongruous decisions frequently encountered within a particular jurisdiction. Under these circumstances, the undesirability of invoking this distinction in cases where it is not necessary for a decision, or where the case is controlled by other well-established principles of law, is obvious.

In the case under consideration the wrong complained of amounted to a direct invasion of the property of the plaintiff and, irrespective of the existence of negligence or whether considered as a trespass or a nuisance, liability cannot as a general rule be avoided on the ground that the municipality was exercising a governmental function (see authorities cited in Dillon, Mun. Corp., 5th ed., §1736; 2 Cooley on Torts, 3rd ed., p. 1198; 43 C. J., §§1734, 1737, 1905), and this is the established rule in Alabama (*Troy* v. *Coleman*, 58 Ala. 570; *Eufaula* v. *Simmons*, 86 Ala. 515, 6 So. 47; *Arndt* v. *City of Cullman*, 132 Ala. 540, 31 So. 478).

More conclusive in the instant case, however, would seem to be the constitutional provision of the state of Alabama requiring that municipal corporations shall "make just compensation for the property taken, injured, or destroyed by the construction or enlargement of its works, highways, or improvements" (Const. 1875, Article XIV; Const. 1901, §235), under which it was held that a town is liable for damages caused by so changing the grade of a street as to prevent the natural flow of water from adjacent lots. (*Avondale* v. *McFarland*, 101 Ala. 381, 13 So. 504, adopting the opinion of Somerville, J., in *Montgomery* v. *Maddox*, 89 Ala. 181, 7 So. 433, and overruling *Montgomery* v. *Townsend*, 84 Ala. 478, 4 So. 780, 80 Ala. 489, 2 So. 155.)

From the foregoing considerations it is apparent that the decision in the case under discussion is of little assistance as an aid in determining the liability of municipalities in connection with the operation of their airports, except, perhaps, where such activity results in a direct invasion of property rights.

That the operation of an airport may result in a nuisance to adjacent property has been recently held in *Smith* v. *New England Aircraft Co., Inc.*, decided March 4, 1930, by the supreme judicial court of Massachusetts. It would seem that a municipally operated airport to be used by private individuals upon payment of fees would be subject to the same rules of liability in tort as any other municipally owned public utility. Such liability, in the absence of a statute granting exemption, is as broad as that of a private corporation performing a similar public function. Whether such statutory exemption be deemed advisable is a serious question, but it may be noted that already the states of Wisconsin, Texas and Iowa have enacted legislation to relieve municipalities from such liability in whole or in part.

Harry J. Freeman,
New York University Law School.

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Dissolution—Effect of Judgment of Ouster In Quo Warranto Proceedings.—In *People ex rel. Lerch, County Collector*, v. *Sandman*, 170 N. E. 211, the Supreme Court of Illinois passed upon the effect of a judgment of ouster rendered against a school district. The collector sought a judgment for the sale of lands for non-payment of taxes levied by a school district against which subsequent to the levy a judgment of ouster had been entered. The court holds that upon the judgment of ouster, the district ceased to exist, and that taxes unpaid at the time could not be collected, as there were no officers to receive and distribute them. The allowance of an appeal which was never perfected did not stay the immediate effect of the judgment. A different situation would arise if the appeal had been perfected and was pending. In the instant case, the judgment immediately worked a dissolution and took away all the rights, privileges, and franchises of the corporation.

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Dedication of Land for Street Purposes—Effect upon Rights of Mortgagee.—New Jersey holds strictly to the doctrine that the owner of lands who sells off lots with reference to a map of the plot thereby irrevocably dedicates the portions indicated thereon as streets or highways to the public, subject only to an express rejection by the public authorities. This rule applies not only when the map is prepared by the owner, but also upon sale by reference to any map of the tract on file in the public records.

In *Dodge & Bliss Co.*, v. *Jersey City*, 148 Atl. 783, the court of errors and appeals reviews the decisions in that state and reaffirms the doctrine. The sale of lots in that case was by a trustee of the property and referred to a map of 1870 filed with the custodian of maps of Jersey City. The court found that the trustee had full authority to sell the lots in question upon the request of the beneficiaries of the trust and that such request was made and filed with the deeds of conveyance.

Upon the question of the rights of the mortgagee, the decisions in New Jersey hold that a dedication of part of mortgaged premises only creates in the public an equity to have the land opened for a highway and that the consent of the mortgagee is necessary to a complete dedication. (*Kiernan* v. *Jersey City*, 80 N. J. L. 273.) While in the instant case, no such consent was filed, the mortgage was subsequently foreclosed and the deed by which the master conveyed to effect the foreclosure sale specifically referred to the map of 1870 and made particular reference to the street in question. Such acts are held to have foreclosed all rights of the mortgagee or of the purchasers at the public sale.

In the instant case there had been no positive acts of acceptance by the city authorities. The court holds, however, that an act of the city in vacating and relocating a part of the street seems to have been "necessarily a recognition of the public rights therein" and that, if an acceptance be considered necessary, the assertions of the city in its answer to the complaint are sufficient.

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Zoning—Reasonableness of Use Restrictions.—In *Taylor* v. *Haverford Township* decided by the Supreme Court of Pennsylvania, March 17, 1930, an ordinance of the town restricting to residence purposes the plaintiff's lands, which are peculiarly adapted to use for business purposes, was held to be unreasonable and void. The owner had for many years reserved from a tract of seventy acres plotted for residence uses a corner with an area of less than an acre. The evidence showed that for use as a site for residences the land was worth about $20,000, but about five times as much as a site for stores and other commercial uses. The ordinance, adopted in 1925, would allow but three residences on the land and compel the owner to leave 86 per cent of its area entirely vacant. On the opposite side of the street for four blocks the lots are used for business purposes. The plaintiff had expended some $7,500 in constructing paved roadways to make this lot more accessible for business uses.

Under these circumstances, the court held that, as was shown in *Nectow* v. *Cambridge*, 277 U. S. 183, the inclusion of the lot in question in a residence zone was not only not essential to the general zoning plan of the town, but "clearly unreasonable, discriminatory and confiscatory."

Another case somewhat similar is *Jones* v. *Los Angeles* (not yet reported), decided by the district court of appeals, 2nd app. dist. of California, March 10, 1930. The ordinance which was held discriminatory, unreasonable and void, prohibited the maintenance of sanitariums for the care of persons afflicted with nervous diseases in a comparatively sparsely settled district, while permitting them in densely populated residence districts.

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Special Assessments—Sale for Delinquency—Force of Declaration of Public Policy by the Legislature.—"What is, or what is not, against public policy is a question upon which courts in various jurisdictions do not always agree." This recognition of the conflict in the authorities on matters of public policy was contained in the opinion recently rendered by the California District Court of Appeal, Fourth District, in a case in which that very question was presented (*Southern Pacific R. Co.* v. *Stibbens, County Tax Collector*, 285 Pac. 374, 379). In this litigation a railroad company had failed, for a number of years, to pay assessments for local improvements lawfully levied against it under the provisions of the Storm Water District Act (1909, §11) expressly authorizing assessments of railroad property within the district, and a proposed sale of the land, comprising the right of way, to meet the delinquency was opposed on the ground that public policy in California would not permit the dismemberment of a railroad doing an intercounty or an interstate business.

To this contention, however, the court pointed out that the public policy of a state is not created by the judicial department, although such department may be called upon at times to declare it, but is determined by reference to the organic and enacted laws of the jurisdiction and that, therefore, where the legislature has acted upon a particular matter it has declared the public policy of the state with reference thereto. Accordingly it was held in the instant case that, as the only way to collect a delinquent assessment was by sale of the lands, the legislature could not have intended the making of an unenforceable assessment and that it has, therefore, determined the public policy of California to be that lands used as a railroad right of way may be sold to pay a delinquent assessment lawfully levied under the provisions of the act in question.

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Torts—Liability for Sidewalk Defects.—In *Moore* v. *City of Lockport*, 239 N. Y. Supp. 190, the Appellate Division of the Fourth Department reversed a judgment in favor of the plaintiff for personal injuries, holding that the city is not to be charged with liability for injury caused by the plaintiff stepping into a saucer-shaped depression 12 inches in diameter and 2 inches in depth in the center, placed there by city employees to reach a valve which controlled the water connection to the adjacent premises. The court seems to apply the same rule of liability which obtains where the defect results from the elements or the negligence of strangers to a case where the defect is the direct result of the act of the city. Justice Edgcomb says: "It is immaterial whether the hole was left at that time [when the city laid the water main under the walk] or whether it was gradually formed by breaking and wearing away of the cement."

The duty of a municipality to keep its streets in a reasonably safe condition for travel is imposed by law. The city may be liable for defects created by the negligence of others. The New York rule governing such liability was laid down by Judge Hiscock in 1906 in the opinion of the Court of Appeals in *Butler* v. *Village of Oxford*, 186 N. Y. 144:

> It is not an insurer and is not expected to maintain walks and streets in such an absolutely perfect condition as to render an accident impossible, but is expected to use reasonable care and prudence in detecting and remedying any defect which it might be fairly anticipated would be dangerous and liable to cause an accident.

The above rule has been uniformly followed by the courts of New York since it was thus clearly enunciated. It may be doubted, however, whether it was intended to be or should be applied to cases where the defect which causes the injury is due to the act of an employee of the city. This distinction is generally recognized; a recent case illustrating this point is *Renstrom* v. *City of Nampa*, 279 Pac. R. 614, in which the Supreme Court of Idaho holds that the city is liable for the slippery streets caused by sprinkling in freezing weather, although it might not be charged for their dangerous condition if caused by the elements or acts of third parties.

PUBLIC UTILITIES

EDITED BY JOHN BAUER

Director, American Public Utilities Bureau

Interstate Commerce Commission Recommends Fixed Rate Base.—In the O'Fallon decision last year, the United States Supreme Court held that under the terms of the 1920 Transportation Act, the interstate commerce commission could not establish a fixed rate base subject to accounting control, but would be compelled to make allowance for reproduction cost or changes in value according to the law of the land as declared in a series of past decisions. The commission, under the Transportation Act, is required not only to fix reasonable rates, but to recapture 50 per cent of the excess earnings received by any carrier above a fair return. For both purposes, it needs a yardstick which can be readily applied. In the O'Fallon case it had adopted a definite yardstick, by starting with valuations made under the 1913 Valuation Act, and subsequently adding all additional net investments and subtracting further accrued depreciation, all subject to exact records and accounting control.

With the disallowance of this method by the Supreme Court, the commission was thrown back into chaos in struggling with recapture of excess earnings. It ordered a re-hearing in the O'Fallon case, and received arguments for various methods of procedure. On January 20, Commissioner Eastman transmitted a letter to Congress requesting a definite declaration of policy as to valuation to be followed by the commission in carrying out its duty. He proposed that Congress should amend the present transportation act so as to provide explicitly for the method of valuation which the commission had applied in the O'Fallon case.

Such a definite system of valuation, Commissioner Eastman stated, might be subject to review by the Supreme Court, if it were claimed in any instance to transgress the constitutional limitations. In that event, however, a broad declaration of public policy by the legislative branch of the government, particularly if accompanied by the economic and administrative reasons therefor, would be of great help to the Supreme Court.

What the Interstate Commerce Commission thus recommends is, in principle, the same as the recommendation of the minority of the New York state revision commission, reviewed in last month's number of the REVIEW. Commissioner Eastman was joined in his recommendation by every member of the commission, except Commissioner Woodlock, who believes that the determination of value is a judicial function and cannot be fixed by legislative declaration. The latter is the view expressed by the majority of the New York revision commission. There is, however, a distinct difference between Commissioner Eastman's recommendation and the plan recommended by the minority of the revision commission and long supported by this department. Both seek the establishment of a fixed rate base subject to accounting control, to make possible the administration of numerous properties operated under various circumstances. Commissioner Eastman, for all older properties, would start with valuations determined on the basis of 1914 prices, while our proposal is to start with present-day conditions as to all existing properties.

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Reforms Recommended in Massachusetts.—On March 3 a special legislative commission reported its findings and recommendations to the state legislature of Massachusetts. This commission has been investigating the control of electric and gas companies in the state, for the purpose of recommending changes in the law for more satisfactory public regulation. It has found that, with few exceptions, the old independent companies have disappeared and their place taken by eight great systems which completely dominate the industry. These systems supply over 90 per cent of the electricity sold to consumers, and 85 per cent of the gas. The eight groups are:

(1) Edison Electric Illuminating Co. of Boston
(2) New England Power Association
(3) Tenney properties
(4) Associated Gas & Electric System
(5) Eastern Gas and Fuel Associates

(6) Massachusetts Utility Associates
(7) Western Massachusetts companies
(8) Stone & Webster properties.

With the exception of the first group, these systems constitute voluntary associations managed by trustees, the beneficial interest in which is divided into shares and sold to the public like stock in a corporation. These associations hold the stock of the operating companies and receive all the dividends paid on the stock.

In addition to this source of income, most of the systems make profits also by means of contracts for management, engineering service, purchasing, and the like. The commission regards this practice as a very serious abuse. It calls special attention to the fact that in all such transactions, which have the form of agreement, the basic elements of a bargain are lacking. Instead of two independent parties, each trying to do as well as it can, there are two formal parties, which are subject to the same control. The commission recommends that the control over these contracts shall be vested in the department of public utilities, which should have the power to terminate any contract where the charge is unreasonable; and that all contracts shall be filed with the department of public utilities.

The commission considered also various other matters. It found that rate reductions had not been made, especially to the smaller consumers, to the extent that might be feasible. It approves the Massachusetts basis of actual cost for rate-making, but finds that the system is in danger because of the decisions of the Supreme Court in the O'Fallon and other cases. With respect to municipal ownership, the commission expressed no preference between that and private operation. It found, however, that the existing municipal plants have stood as a desirable check against abuse by private interests. In any case, where a municipality is dissatisfied with private operation, its entrance into the business should be facilitated as much as possible, but fair compensation should be paid for the property of the private company taken over by the municipality.

The commission does not recommend the direct regulation of holding companies. In its opinion, the operating company remains the proper unit to be regulated. It is opposed also to any legislation designed either to break up the existing systems or to restrict future consolidations.

There is a vigorously dissenting report by Representative Leo M. Birmingham. He criticized severely the failure of the commission to hold public hearings. He emphasized the necessity of a fixed rate base, and favored a system of contracts under which companies would be required to agree to the Massachusetts cost system at a penalty of losing valuable rights under the law, and especially with the provision of allowing municipalities to establish municipal ownership without the purchase of company properties, if such a contract has not been entered into. He found that rates are excessive and that the public has not had adequate protection.

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Is Public Ownership Passé?—Many municipally owned electric systems have been sold during the past ten years, and have been absorbed by private holding-company systems. The extent of this movement has been presented statistically by Herbert B. Dorau in a monograph published by the Institute for Research in Land Economics & Public Utilities, Chicago, Ill.,—"The Changing Character and Extent of Municipal Ownership in the Electric Light and Power Industry."

This monograph brings together the available statistical data with respect to municipal establishments, when they were acquired or disposed of, under what conditions, the changes in type of plant, and the variations in different parts of the country. The analyses are elaborate, and the facts appear complete as to what has taken place over a period of 45 years—1882 to 1927.

The term "municipal establishment" is used to include every form of public ownership and operation, whether the municipality owns a generating plant, or purchases current and operates only a distribution system. During the entire period there had been established a total of 3,814 municipal systems. At the close, however, there were left only 2,320 plants, and 1,494 plants had been sold or otherwise discontinued. The number in existence continued to increase up to the close of 1923, when it reached a total of 3,066. The next year witnessed a decrease to 3,021. This was followed by a rapid decline to 2,895 in 1925, 2,612 in 1926, and 2,320 at the close of 1927. There was considerable variation in the rise and decline in different parts of the country.

Most of the establishments have been in small communities, where, apparently, private capital and managerial skill could not be obtained because of the risk and small scope of operation. Of the 3,814 plants, only 15.44 per cent originated in municipalities of 2,500 population and over, and only 1.15 per cent in cities of 20,000 or over. The decline has been most marked in the smaller communities.

Significant figures are those which show the change in the character of the systems. At the close of 1900, there were 732 plants; of this number, 719 generated all the current sold, one generated part and purchased part, and 12 purchased all the current; over 98 per cent generated all the current sold, and they were all small plants. By 1920, there were 2,741 plants, of which however, only 67 per cent generated all the electricity sold, while 30 per cent did no generating at all. At the close of 1927, of the 2,320 plants in existence, only 43 per cent generated all the electricity sold, while 52 per cent consisted of only distribution systems.

The character of the establishments has thus changed very rapidly from complete system of generation and distribution to distribution exclusively. Of the 1,494 establishments changed to private ownership, 1,104 generated the current at the time of change, 19 generated part, and 371 generated none. It appears, therefore, that in most instances of sale to private ownership, the municipalities faced the choice of discontinuing their small and uneconomical generating plant and purchasing current from outside, or selling the entire system to outside interests. It was probably the change that had to be faced, which led to sale in negotiation with outside interests.

From the statistical standpoint of what has happened, the monograph is complete and clearly reliable. It may perhaps be criticized for excessive elaboration of analyses which have no real significance and serve more to obscure than to furnish real information. The fact stands out sharply that up to 1923 there was a steady increase in the number of municipal plants, while thereafter there was a sharp decline. The statistical measurements are important, but students of municipal ownership are interested also in the "whys," as to which the monograph offers no definite explanation. It does set forth, in general, what it considers underlying factors, but it disclaims any purpose of explanation. Its avowed object is merely to present the facts.

There can be no criticism of rigid demarcation between facts and interpretation. Unfortunately, however, Mr. Dorau evidently had his own explanations, which do crop out, and yet are not presented so specifically as to bring up sharply the propriety of his interpretation. His inference clearly is that the decline in public ownership has been due to underlying causes which have made public ownership less serviceable, and have turned the advantage to private ownership.

In his introduction Mr. Dorau sets out the political, legal, technological, and economic factors. The chief technological factor is the high efficiency of large generating stations, and the great development in transmission. Hence, the small communities can obtain current more economically from central stations outside, than by generating their own electricity with small and inefficient plants. This applies, however, to private as well as municipal establishments. The economic factor as viewed by Mr. Dorau is the decline in the cost of capital to finance the acquisition of municipally owned establishments, and the willingness of municipalities to sell at favorable prices, so as to use the funds for other municipal purposes.

These explanations are very general, and their significance can be weighed only in their application to specific instances. Perhaps here is a lead to a real explanation: "Another factor which contributed to the sellers' willingness to sell was the often handsome appreciation which had taken place in the value of the electric property." More was offered by the purchasers than the plants as plants were worth to the municipality. This, however, is not a basic economic factor as to relative efficiency of municipal and private ownership. It reflects rather the undefined status of state regulation as it affects public interest with respect to the great technological changes that had taken place.

Enormous economies have been achieved through central station and transmission development. Under an adequate system of regulation, these advantages would have been largely passed on to the consumers. But under the present system of rate-making, i.e., under the indefinite rule of "fair value," the private companies have been able to retain the savings largely for themselves, and could thus offer extravagant sums for municipal plants, with the idea that the amounts paid would be absorbed in the securities issued, and would be carried finally into the rate base upon which a return would be allowed by the commissions and courts.

The question is, How did the "handsome appreciation" develop? What was it due to? It could originate only through the failure of regulation to function properly in the interest of the consumers. If there had been throughout a definiteness of rate base, there could not have been any appreciation, and the economies of large-scale generation and transmission would have been passed on to the consumers, instead of being absorbed first in "handsome appreciation," then in extravagant capitalization, and finally in unwarranted valuations to be supported by rates paid by consumers.

Besides the statistics furnished by Mr. Dorau, there is needed a real study of causes and consequences, and this should not be left to generalities and vague implications. It should show specifically and in detail the circumstances of sale and what was done afterwards. It should, moreover, pursue a follow-up, showing how the communities which sold their plants at the "handsome appreciation" finally came out as to rates paid by local consumers, compared with other communities similarly situated which did not take advantage of the "handsome appreciation," but continued to render service at cost to the public.

Such a study is sorely needed. From such casual facts as have come under our observation, we surmise that the selling communities, notwithstanding the "handsome appreciation," later paid rather dearly through higher rates charged to local domestic users than could have been attained through continued municipal ownership. This, however, is a question of fact which ought to be investigated with as great thoroughness as Mr. Dorau applied to the mere statistics of municipal plants.

As to future relative advantage of municipal and private ownership, Mr. Dorau's figures furnish no evidence whatever. We surmise that in many instances there is greater economy in municipal ownership, even where limited to distribution alone. While the time for continuing local generating plants has probably passed, this is true of private as well as municipal plants. The real question is whether greater economy and lower rates for the future can be attained by municipal ownership, in coördinating the operation of the distribution system with other municipal departments, or by private ownership and operation under public control.

MUNICIPAL ACTIVITIES ABROAD

EDITED BY ROWLAND A. EGGER
Princeton University

THE DISTRIBUTION OF TAX INCOME IN THE GERMAN STATES

In writing of German taxation it is impossible to speak of state and municipal taxation apart from the general fiscal organization of the *Reich*, so completely has the entire national tax administration been integrated under the stringencies of post-war financial readjustment. Generally speaking, however, the states and municipalities are empowered at the present time to levy and collect taxes according to the requirements of statutes of the *Ländern* with comparative freedom so long as they do not contravene the national constitution or laws.[1] In the absence of concurrent jurisdiction granted by the national government, the assumption of a particular revenue source by the *Reich* precludes its utilization by the states or municipalities; the imposition of surtaxes upon sources taxed by the *Reich* is also prohibited without express permission by the national legislature. All new sources or projects upon which the states or localities seek to impose a levy must first receive the sanction of the national finance ministry.

No less severely circumscribed is the actual administration of taxes by the states. The unprecedented demands upon the public revenue have necessitated extreme care to provide that the burdens upon the various phases of the national economy be as equitable as possible. Carefully drawn and unusually detailed statutory regulations govern the classification of property for tax purposes; the factors which must be considered in arriving at the valuation in each class are prescribed in full, and a scientific method of assessment is mandatorily imposed, backed by stringent provisions regarding central administrative supervision and enforcement. Furthermore, these national statutes apply not only to the valuations of sources for national revenue—which, generally speaking, are as yet administered by state officials—but to all assessment of property *ad valorem*, whether by state, province, circle, or commune.[2]

It must be admitted that, regardless of the argument which may be made for the efficiency and equitable character of the present highly-centralized system of tax administration, it is entirely at variance with traditional German practice.[3] "Although the practical exigencies of the post-war situation are responsible for the system and for the direct administration system by the *Reich*, the constitutional basis upon which it rests is much more than an emergency measure."[4] We may, therefore, regard the present fiscal organization of the German Republic, restrictive as it is of state and local self-determination in matters of taxation and tax administration, and therefore of the whole of local administrative activity, as a permanent fixture in German government. And judged by the pragmatic test, it cannot be said to have failed.

STATES AND THEIR SUBDIVISIONS

An appreciation of the adjustments as to revenue sharing between the states and their administrative subdivisions must involve a knowledge of the relative importance of the various revenue sources. The four most important tax sources shared between the states and their subdivisions are the income and corporation taxes, business (sales) taxes, and realty taxes, important from the standpoint of fiscal return, and the automobile tax which is significant because of its restricted purpose and its intimate articulation with more general phases of state and local administration.

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[1] The *Reich* may prescribe by law the principles of state and municipal taxation to the extent necessary to protect important social interests, prevent injury to national revenue or commercial relations, avoid double taxation, avoid undue burdening of communication and public establishments, prevent undue discrimination against imported goods in interstate or local commerce, and to forbid export taxes. *Constitution*, Art. 11.

[2] The *Reich*, of course, retains control at every stage of the process through its supervision of the state finance offices, the Superior Valuation Committees in each state, which are national authorities, and the National Finance Court.

[3] Constitution of 1871, Art. 70.

[4] Blachly and Oatman, *Government and Administration of Germany*, p. 217.

An analysis of income from tax sources reveals the fact that the taxes imposed upon personal and corporation incomes contributes almost 28 per cent of the total income of all the governments in Germany. It reveals further that the administrative subdivisions of the states receive almost one-third of their revenue from this source. The taxes on realty, industrial activity, improvements, and housing constitute the second most important source of revenue, amounting to over 27 per cent of the total tax collection. From this source the administrative subdivisions obtain practically half of their total funds. The "nuisance" imposts are negligently productive, contributing only about one-eighth of the total revenue.

In Prussia, while the administrative subdivisions (not including municipalities) share in all four of the above taxes, the most of the motor vehicle tax is assigned to the intermediate subdivisions.[1] In Anhalt this class of governmental organization receives the entire proceeds of the levy. State and local budgets are larger than those of the intermediate administrative units, to an even greater degree than would ordinarily appear to exist in the United States. It is thoroughly evident that, as a tax-receiving authority, the German equivalent of the American county has experienced a decided decline in post-war years.

The German system proposes an approximately equitable allocation of the revenues from the income tax between the state and its subdivisions, with the municipalities receiving all save a very negligible portion of the residue left from the state excise; the same generalization may be drawn from the allocation of the business imposts. With a few notable exceptions (Prussia and Saxony) the realty taxes are shared between state and municipal subdivisions; however, in contrast to American practice, the *Landkreise* and other non-municipal subdivisions, receive none of the yield from this source. A tendency is indicated on the part of the state to absorb the major portion of the motor vehicle tax, which means that, as is true in a number of states, the state is actually directly administering road construction, or that an extensive program of subsidization is in force.

That the present program is to a considerable degree unsatisfactory, not only as regards the relations between *Reich* and *Ländern*, but also with reference to the states and their intermediate administrative subdivisions is very evident in contemporary German governmental literature. To what degree it may be attributed to the necessities of conserving the tax sources of the nation for the purposes of the *Reich*, and to what extent it represents an integral part of the new philosophy of administration which controls Germany, is impossible of estimation. At the same time, the hardships which have complicated the administration of the intermediate subdivisions have resulted in considerable agitation for an alteration of organic status and a consequent functional readjustment which conceivably might lead to an entirely unbalanced administrative structure. As in the United States a tendency is noticeable, at least from a fiscal point of view, to fail utterly to realize the necessity of adjusting administrative functions to natural administrative units. This has, for reasons of financial incapacity on the part of these intermediate units, necessitated the assumption of many functions by the state for the performance of which its own administrative organization is singularly ill-adapted.

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[1] The law requires the utilization of the entire proceeds of this tax, except the 4 per cent excise made by the *Reich* for administrative costs, in road construction and maintenance.

GOVERNMENTAL RESEARCH ASSOCIATION NOTES

EDITED BY RUSSELL FORBES

Secretary

Recent Reports of Research Agencies.—The following reports have been received at the central library of the Association since March 1, 1930:

New York Bureau of Municipal Research:
- *Report on the Advisability of Consolidating Tarrytown and North Tarrytown, N. Y., as a City.*
- *Report on a Survey of the Organization and Administration of the State Government of New Jersey.*
- *Report on Audit of the Financial Affairs of the State Government of New Jersey.*

Ohio Chamber of Commerce:
- *Taxation of Intangibles.* (*Research Bulletin, February,* 1930.)

⁂

Chattanooga Establishes Research Bureau.—The Chamber of Commerce of Chattanooga, Tennessee, has completed plans for establishing a bureau of governmental research. The new bureau will begin to function on June 1, and will be supervised by John F. Willmott. Mr. Willmott, since July 1, 1927, has been director of the bureau of governmental research of the Kansas City, Kansas, Chamber of Commerce, and has achieved a fine record there under most difficult circumstances.

⁂

California Taxpayers' Association.—A study of the fourth road district of Kern County, California, has been completed and now is in the hands of the printer. A survey of the county-wide plan of highway organization in California has been started. The survey of the status of Pasadena's educational system is fast nearing completion.

Two new local branches of the Association were formed in March. These are the Alameda County division and the Lynwood City unit, in Los Angeles County.

⁂

Division of Municipal and Industrial Research, Massachusetts Institute of Technology.—The Division is continuing with its general program of field studies of industrial, civic, and general economic conditions on a community and regional basis and of carrying on such research studies as will facilitate this work.

Since the first of the year two field studies have been completed. These are a survey of industrial conditions in the state of New Hampshire, carried out in coöperation with the Grafton Power Company of that state, and a general community survey, along economic lines, of the city of Baton Rouge, Louisiana, and its trade territory. The report of the first of these studies has been published and it is expected that a summary of the Baton Rouge survey will shortly be available in printed form.

At present the Division is engaged in making a survey of municipal and industrial conditions in the city of Somerville, Massachusetts; it is also coöperating in an investigation of industrial conditions in the state of Vermont. These surveys, with incidental research and the publication of a bi-monthly bulletin dealing with various aspects of municipal and industrial problems, complete our budget of current activities.

⁂

The Taxpayers' Association of New Mexico.—The director, R. F. Asplund, is also acting as state comptroller. In February of this year Mr. Asplund was appointed to the state position by Governor R. C. Dillon and accepted the appointment temporarily for the purpose of studying more closely the financial affairs of the state and its subdivisions. Out of his administration it is hoped that there may result a reorganization of financial departments and an improved system of control of expenditures under adequate budget measures. As state comptroller he is charged with the duty of auditing all the state departments, commissions, boards, and institutions and all local subdivisions, including counties, cities, towns, villages, and school districts. He has charge also of the motor-vehicle license collection and the gasoline tax department.

The Ohio Institute.—As a part of a study of election administration, made in coöperation with the Dayton Research Association, reports will shortly be issued dealing with permanent registration of voters and the use of voting machines. The first outlines a procedure suited to the application of the permanent registration provisions of the new election law, and the second examines the practicability of voting machines under Ohio conditions.

The Institute has just completed a report on the rural school-district system of Ohio. The study deals chiefly with economic phases of the school-district organization and emphasizes the inefficiency of the small-district system. Legislation is suggested permitting the substitution of county school districts for the existing small-district arrangement.

Preliminary work is being done on the problem of a state-wide system of judicial statistics.

⁂

Philadelphia Bureau of Municipal Research.—The Bureau coöperated with the Philadelphia Conference on City Government, which held a series of meetings from March 20 to 22. In addition to assistance in arranging the program, the Bureau supplied two of the speakers. Mr. Beyer, the director, addressed the Conference March 22, on "Better Methods in City Business," and Mr. Shenton, assistant director, presented a paper on March 21 entitled "Next Steps in City-County Consolidation."

The Thomas Skelton Harrison Foundation has published the second pamphlet in its Philadelphia municipal court survey series. It contains two reports, on "Auditing Control" and "Purchasing Procedure," made by the Bureau of Municipal Research in the course of its survey of the municipal court, begun in 1925 at the invitation of the then president judge. William Watson, of the National Institute of Public Administration, New York City, made the studies and wrote the reports for the Bureau.

When these studies were made, in 1925–26, the municipal court of Philadelphia was a million-dollar-a-year activity; and it still is. Auditing control for such an activity, in the words of the report on that subject, "requires organization and methods that will enable it to function with success and that will inspire public confidence." The report analyzed the organization and methods in use and recommended a number of changes. The analysis itself, however, was not an audit. Its purpose was to devise a system under which irregularities could not easily occur. The objective of the study of purchasing was a system by which expenditures for supplies and contractual services would bring the court a maximum return. Shortly after the studies were made, interim drafts of the reports were sent to the court, which then adopted many of the suggested practices.

The report on auditing control discusses, in addition to the auditing organization, the control over expenditures for personal services, over expenditures for other than personal services, and over certain moneys known as "restitution funds," which come from private sources or pass through the hands of court employees on their way to mothers of dependent children. The report suggests administrative practices by which the chief clerk can assure himself that the payroll contains no "dummy men," that pay is not given for services not rendered, that expense accounts are not padded, and that other possibilities of leakage which often are present in a large organization are effectively closed.

As supplies and contractual services of the court in 1925 cost a relatively small sum (about $56,000), and to a considerable extent the prices were beyond the court's control, the field of suggestion for improved purchasing methods was somewhat limited. Nevertheless, there were points at which it was thought that better methods would result in better prices. On the other hand, it is shown that largely through the elimination of unnecessary purchases the court's expenditures for supplies and contractual services had dropped from $93,542.66 in 1923 to $52,324.77 in 1924, and in 1926 were still $38,445.68 below the 1923 level. The report on purchasing also comments on substantial savings due to commendable thrift and to ingenuity in salvaging supplies and materials.

Copies of these reports are available free of charge on application to the Bureau of Municipal Research, 905 Social Service Building, 311 South Juniper Street, Philadelphia, Pa.

⁂

Schenectady Bureau of Municipal Research.—A meeting will be held shortly with the citizens' committee appointed by the Bureau and the community chest board of directors to discuss the possibility for centralized control and direction in the welfare problems of Schenectady.

The managing director of the Bureau has been requested by W. P. Capes, executive secretary of the New York State Conference of Mayors, to serve as an instructor in the school for civil service commissioners which is being held under the direction of the Conference on April 25. He will speak on the subject of "The Certifying and Checking of Payrolls."

The firm of Pearse, Greeley and Hansen of Chicago is now engaged in a detailed study of the collection and disposal of refuse in the city of Schenectady. This firm was brought to the city by resolution of the common council and will endeavor to solve a long-standing city problem. The Bureau staff has made a preliminary survey and has been able to aid Mr. Greeley and his assistants in the work.

The Bureau has recently completed a study of the proposal made by the county of Schenectady to issue $1,300,000 in highway bonds. The Bureau made definite recommendations as to the method of floating such an issue and the type of payment to be used. The results of the study have been published in the Bureau's *Monthly Letter*.

A meeting with the common council committee on laws and ordinances will be held in the near future to discuss the question of increasing city revenues. The Bureau in its capital-budget study recommended that license fees and charges for municipal services be increased to provide additional funds for city operation. It is expected that, by a revision of these charges, about $30,000 annually can be added to the income side of the city budget without imposing hardships on any class of persons.

⁂

Stamford (Connecticut) Taxpayers' Association.—The mayor's charter-revision committee, by a vote of ten to eight, has decided to draft a strong-mayor charter for Stamford. This decision was made after the resolution of the Stamford Taxpayers' Association, recommending the council-manager plan, had been presented, and in the face of the fact that, of all the outside authorities who addressed the committee, none advocated the strong-mayor plan.

After caucus, the militant minority composed partially of the president of the chamber of commerce, president of the Taxpayers' Association, president of the real estate board, publisher of the newspaper, and the president of the National Municipal League, reported to the charter revision committee that they would submit a minority report in the form of a council-manager charter.

Members of the minority promptly set themselves at work in preparation for their task. They visited Stratford and New London, Connecticut, in an effort to get an insight into the operation of the council-manager plan in those two cities as well as to get some advice on charter procedure. Another day was spent in visiting the National Municipal League headquarters and in examining the operation of the strong-mayor plan in Mount Vernon, New York. The activities of the Taxpayers' Association have been devoted to the details of this general program.

NOTES AND EVENTS

EDITED BY H. W. DODDS

Citizens' Committee Relieves Chicago's Financial Distress.—While the primary objective of the Chicago citizens' committee, headed by Silas H. Strawn, is to place the local governments on a sound financial footing, it has "rescued" the major units by raising a fund of approximately $74,000,000 which will enable them to pay salaries and other imperative charges until July 1. Had not the committee arranged for aid, more than 40,000 employees of the major units, including teachers, firemen, policemen and departmental personnel, would have gone payless for no one knows how long.

To meet the emergency, the Committee called into service the war-time liberty-loan brigade. Headed by Philip R. Clarke, president of the Central Trust Company of Illinois and chairman of the war-time loan drive, an intensive thirteen-day campaign was held to pledge funds from taxpayers, large and small, individual and corporate, towards the Cook County Warrant Taxpayers Trust. In this way approximately $74,000,000 was pledged, this being the amount estimated as needed to meet salaries, interest payments and other emergency bills until July 1, when it is expected collection of 1928 taxes will begin.

Under the plan worked out by the committee, investors in the trust are called upon to fulfill their pledges from time to time in amounts sufficient to meet recurrent payrolls, etc., as these obligations fall due. The investors receive beneficiary certificates of indefinite maturity. The trust then buys the tax anticipation warrants of the local governments. The trust is administered by a managing committee from the citizens' committee. By controlling the funds thus subscribed the committee is in a position to apply the money where and when it is most needed. As a condition of undertaking to meet the emergency in this way, the committee insisted that all of the governmental units clear through the one center and agree to abide by the conditions prescribed.

The committee is also insisting publicly and privately that the reassessment of real estate be completed at the earliest possible date. May 1 is the date set for the completion of the 1928 reassessment. The board of assessors has completed its work and has begun on the 1929 tax lists. The board of review, in all probability, will expedite its work so as to place the books in the county clerk's hands not later than May 1. One month is the amount of time required to extend the rates and prepare the bills. The schedule calls for mailing the bills June 1, and July 1 is the date when 1928 taxes become delinquent. If this schedule fails, an emergency far greater than the one just bridged will be inevitable.

In line with the purpose which led to its formation, the committee is preparing a threefold program of legislation for the consideration of the Illinois general assembly which, it is expected, Governor Emmerson will call soon after the April 8 primary. The principal points of this program will be:

1. Revision of the system of assessment.
2. Restriction of the borrowing power of the municipalities.
3. A definite budget law to control expenditures in relation to revenue.

In this work the committee is having the assistance of specialists in public finance and local conditions from civic agencies, Chicago and Northwestern universities, and local counselors. Conditions appear propitious for a radical revision of the 80-year-old tax system and the adoption of sound fiscal policies and methods of control.

Edward M. Martin.

Union League Club of Chicago.

*

Grand Rapids Renews Its Confidence in Manager Welsh; News of Flint and Pontiac.—Grand Rapids, Michigan, by its city election April 7, confirmed the position of George Welsh, city manager, by heavy popular majorities. On every issue, including candidates, the Welsh program was victorious.

The Welsh slate included the following items: Proposal to build a convention hall, approved by the manager, carried 20,798 to 4,320. The bond issue for the hall carried 20,968 to 4,276. Fred Schriber, Welsh commissioner, was reelected from the first ward, 3,923 to 2,555. Bruce Chalmers, another Welsh supporter, was reëlected from the second ward, 4,602 to 3,883. Chalmers defeated Clayton Hoffman, who was backed by Frank D. McKay, state treasurer, "political boss" and long-time foe of Welsh.

Elvin Swarthout, mayor for six years and opposed by Welsh, was defeated by John D. Karle, former city commissioner, 13,308 to 14,222. Karle had approved the Welsh régime. The entire election assures Welsh control of the commission, with a possible five of the seven members aligned with him.

Somewhere in the picture even a manager-plan city incurs fatal liabilities when it overlooks the purely political factors. For five years Welsh, a hard-headed politician, bitterly criticized the city manager plan in Grand Rapids, charging financial mismanagement by the commissioners and City Manager Fred Locke. Welsh was formerly a member of the Michigan legislature and served a term as lieutenant governor. In 1927 he was an unsuccessful candidate for governor. His local attacks on the city manager administration resulted a year ago in electing four out of the seven commissioners favorable to Welsh. As a result Welsh was chosen city manager, though he calls himself a "dollar-a-year man" and the salary goes to the assistant manager actively in charge.

Welsh's contention was that during the Locke régime city financing had been bungled till the accumulation of deficits totaled more than a million dollars. In this criticism, unprejudiced witnesses say he was correct—it was a case of withholding the facts from the people in order to avoid political attacks. During the past year Welsh has taken up the financial slack sufficiently to convince the Grand Rapids public of his sincerity and ability. Those who have known Welsh since he began life in Grand Rapids as a newspaper boy expect that in some way he will capitalize politically his city manager success.

Flint, Michigan, registered victory for progressive citizen forces at its election April 7 when nine commissioners were chosen to begin the new city manager régime. Seven of the nine elected were supported by the Citizens' League. Of the other two, one was William McKeegan, former mayor, who for many years has been a political stormy petrel in Flint, and who campaigned on a slate with other candidates, several of whom were successful. The ninth commissioner is J. Bradford Pengelly, a former Episcopalian clergyman, and real estate operator.

In Pontiac, after months of turmoil, controversy, political publicity and organized agitation, the city commissioners who have been attacked by an insurgent citizen organization were vindicated by reëlection. To secure this vindication, business men and industrial leaders organized a citizens' association which presented the favorable side of the picture for the commissioners during the controversy.

W. P. Lovett.

*

Philadelphia Seriously Undertakes Zoning.—Close to 800 cities in the United States enjoy the protection afforded by zoning regulations, and Philadelphia is among the few important cities that have not been zoned. Many will wonder why so important a subject has been allowed to drift so long.

Briefly it may be stated that Philadelphia was not satisfied with anything short of comprehensive zoning and for that reason all interests were not unanimous in supporting past efforts. The enabling acts of 1915 and 1919 were ambiguous and lacking in power. While it is true that efforts to zone Philadelphia have met with relentless and bitter opposition from a small minority, their object has been accomplished by the erection of certain buildings and their opposition is now on the wane, but that is not all.

The chief obstacle to zoning in Philadelphia in the past has been the lack of a proper enabling act. This has at last been removed by the new enabling act passed on May 6, 1929. The prospects of success are much improved because this act had the backing of some of the most important city interests and civic bodies.

The mayor, Harry A. Mackey, appointed a new zoning commission on June 24, 1929, consisting of 22 members, representing banking, real estate, builders, engineers, architects, artists, manufacturers and lawyers. The chairman is J. Willison Smith, president of the Real Estate Land Title and Trust Company. George R. Mackenzie, engineer for the former commission, was appointed engineer-secretary. The commission is now making a detailed study of the ordinance prepared by the former zoning commission.

They have found that in the ordinance prepared by the former commission very desirable ground work has already been prepared, covering a number of years' intensive study, and including a set of zoning maps of the entire city. These, of course, will have to be revised and the ordinance will have to be reviewed and amended in places.

A representative of the city law department has been assigned to attend meetings of the commission and go over the entire ordinance with the ordinance committee.

Use, height and area committees have been appointed. It is expected in the late summer or fall they will be in shape to start bringing the maps up to date, after which public hearings will be held before presenting the ordinance to the city council.

The commission feels sanguine of results as the general sentiment in Philadelphia is much more favorable toward zoning than it has been in the past. Some of those who opposed it a few years ago, are anxious to have the ordinance passed now. Space will not permit us at the present time to give any detail of the ordinance, but we will say briefly that it will be a use ordinance with height and area subsidiary regulations, and will require only one set of maps.

J. Willison Smith.

*

New Jersey Billboard Bill Becomes Law.—In New Jersey the assembly has passed and Governor Larson has signed a bill providing for licensing (and therefore regulating) billboards. The bill contains the following provisions:

1. In order to erect, use or maintain a billboard for outdoor advertising except at the place of business, any person, firm or corporation must pay a license fee of 100 dollars to the state board of taxes and assessment after January 1, 1931, and all licenses issued after that date expire on the first day of January following the issue.
2. The location and size of proposed billboards must be filed with the above-mentioned board by December 15 of each year and the sum of three cents per square foot of the surface to be used must be paid.
3. Any person, firm or corporation outside of the state must furnish a bond of 1,000 dollars to guarantee that they will observe the laws of the state in this regard, and the regulations of the state board of taxes and assessment.
4. No billboard can be erected where, in the judgment of the above board, it would be injurious to property in the vicinity or

"Within a distance of five hundred feet of an intersection with another highway, or with a railroad or street railway, at a point where it would obstruct or interfere with the view of a train, street car or other vehicle on the intersecting highway, railroad or street railway; nor shall any such billboard or other structure be erected or maintained on any public highway, park or other public property."

It is generally conceded in the state to be a rather remarkable victory for women, many of whom had never participated in active politics before, who became interested through their garden clubs.

In addition to the demonstration of the power of women, when organized, in politics, there are other interesting economic and political aspects of the fight over this bill. The fact that the New Jersey Federation of Labor opposed it is interesting in light of the fact that the New York Federation of Labor favored a similar bill. The arguments in New Jersey were that 900 painters, lumber workers, carpenters and farm hands would be out of jobs, and that there was a bad unemployment situation in America now.

Assemblymen said they received letters from many farmers saying that they needed the money paid for the use of their land along highways, and that they feared this would reduce their income from that source. Some assemblymen felt that it was the duty of all legislators in America just now to help the poor farmer.

It was rumored, rightly or wrongly, that the American Legion opposed the bill. The women put a thinly veiled threat in the *Newark Evening News* of March 17 to the effect that they had always supported veterans' measures. The next day the head of the state American Legion denied that the Legion as a body was opposed.

The vested interests of Atlantic City opposed violently the application of the bill to billboards along the Boardwalk. Senator Richards of Atlantic City moved an amendment on that point on the night of March 24, and the motion was carried, but the next morning Senator Kuser, who had voted for Senator Richards' amendment, put the vote on reconsideration, saying that he had become convinced that the amendment had been put in order to kill the bill upon its return to the Assembly—and the bill was carried without the amendment.

Just before the final vote in the senate Senator Richards said: "You may get the votes of these women who are backing the bill for Morrow, but I promise you that I'll get one for Frelinghuysen to offset every one you gather for Morrow."

Now the women are using on their letters stickers which say: "I favor the Firms which favor the Scenery."

Mildred Moulton.

New Jersey College for Women.

⁂

Oakland Saves 20 Per Cent on School Construction.—"About 20 per cent of the cost of building high schools can be saved," is a statement made by W. E. Whalin, superintendent of building and grounds of the Oakland Public Schools, in an article in the *California Tax Digest*.

Speaking of the experiences in Oakland during the five years in its building program, Mr. Whalin points out that by following standard requirements in the construction of 71 complete school buildings, there has been a reduction in the building cost of the elementary schools of 12 per cent, in the high schools of 20 per cent, and that a more efficient inspection of buildings has been possible at a reduction in cost of overhead of approximately 33½ per cent. The plan followed by Mr. Whalin is as follows:

The architect for each building is given a preliminary plan showing tentative arrangement of rooms and location of building on the site, together with the standard plans and specifications for his use in developing final working plans and specifications. These supply him with all necessary information regarding the building. He is also requested to keep in mind the following general policies:

(a) Utmost economy in planning and designing.

(b) Utmost utilization of floor space for instructional purposes.

(c) Careful attention to avoid fire hazards.

(d) Providing of adequate and modern sanitary accommodations.

(e) Extreme care to provide definite, clear-cut and adequate plans and specifications.

(f) Careful checking of plans and specifications before submitting for approval.

(g) Strict adherence to all city building ordinances.

(h) Approval of plans and specifications by city building department and fire department.

The information contained in these standard plans and specifications also outlines the following four main purposes:

1. A definite statement of the organization, lines of authority and responsibility, procedure and policies, as approved by the board of education for the erection of schools.

2. Provision whereby architects, engineers, contractors, educators, and interested persons may know the exact educational and structural standards.

3. The provision in school buildings of adequate classroom needs, in accordance with approved courses of study.

4. The complete standardization of such classroom needs covering each type of room.

⁂

Realtors Study Effects of Street Widening on Adjacent Property.—Does the re-making of a narrow street into a wide thoroughfare have the effect of waving a magic wand over the property fronting the new traffic artery and, for the reason of the widened street only, cause great increase in the value of contingent real estate? Is residential property value increased substantially by street widening in residential sections of a city?

To be able to answer these and other questions to their own satisfaction, the city planning committee of the National Association of Real Estate Boards has begun an investigation of the effects of street widening on real estate values, according to W. W. Butts of St. Louis, chairman of the committee.

Harland Bartholomew, of the St. Louis City Planning Commission, has been retained to advise the committee during the coming year. Mr. Bartholomew is a member of the board of governors of the Institute of City Planning and was adviser and director of the preparations for the zoning ordinances of Washington, D. C.

16

The Practical Workings of Proportional Representation in the United States and Canada

By

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University of Wisconsin

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EDITOR'S PREFACE

In American municipal government, proportional representation is rapidly passing the stage of academic discussion, and is being exposed to the severe test of experience. As Dr. Harris points out, it has been used in eight cities in the United States and in seventeen in Canada. Cincinnati reformers believe it to have been largely responsible for the overthrow of the machine in that city. It is now true that consideration of proportional representation as a desirable system of electing the council cannot be evaded by charter commissions or other agencies engaged in drafting a new fundamental law for their city.

For many reasons the National Municipal Review is glad to publish the results of Dr. Harris's survey. In preparing his report he visited every city in the United States and Canada which uses proportional representation, except the small towns of West Vancouver and South Vancouver, British Columbia. His previous publications on elections and electoral methods and his established reputation for scientific soundness inspire confidence in the authoritative nature of the findings which he has here set down.

H. W. Dodds.

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THE PRACTICAL WORKINGS OF PROPORTIONAL REPRESENTATION IN THE UNITED STATES AND CANADA

BY JOSEPH P. HARRIS

University of Wisconsin

I

INTRODUCTION

Proportional representation is no longer merely a theory in this country. It has been used in eight cities in the United States, covering twenty-nine elections, and in seventeen Canadian cities, covering approximately ninety elections. It has been used in Ashtabula for a period of fifteen years, and in Boulder, Colorado, for thirteen years. Three Canadian cities have used P. R. for ten years or more. Two of them, Winnipeg and Calgary, are cities of considerable population, while the other, West Vancouver, is relatively small. Two of the large cities of the United States, Cleveland and Cincinnati, have used P. R. for six and four years, respectively. Twenty referendum votes have been held in the United States and Canada upon P. R. after trial for one year or more. At present P. R. is in use in four American cities: Boulder (1917), Cleveland (1923), Cincinnati (1925), and Hamilton (1927); and four Canadian cities: Calgary (1916), West Vancouver (1917), Winnipeg (1920), and St. James (1923). Ashtabula, the first American city to adopt it, abolished the system by popular vote in 1929, though the present council was elected under it.

The experience of the several cities in this country and Canada with proportional representation should be sufficient now to permit some conclusions to be drawn as to its practical workings for the election of municipal councils. Its history should afford at least a tentative answer to these questions: Is P. R. a vital reform for municipal government? Is it essential for the successful operation of the city manager plan? Should it be included in new municipal charters which are being prepared for submission to the voters? Does it result in a representative council? Does it attract better members to the council? Does it, on the whole, work better than the older systems of election by wards or at large?

This study is limited to the practical workings of the Hare system in the election of the municipal councils in the United States and Canada. It is assumed that the reader is familiar with the principles of this system of proportional representation.

A great deal of the literature on proportional representation deals with its operation in other countries, with the List System, with the election of members to state or national legislative bodies, and with the representation of political parties. This study will not go into these problems. It may be granted at once that if representation in a legislative body is based upon political parties, and it is desired to accord to each party representation according to its strength, proportional representation is essential. This consideration does not, or should not, apply to the election of a municipal council. Political parties are rapidly disappearing in municipal elections in this country. In many cities where the nonpartisan election and nonpartisan primary exist, no attention whatever is paid to national partisan affiliation. This has brought about a great improvement in municipal affairs. The problem facing the American municipality is not that of representing national political parties fairly, but rather that of getting rid of such parties altogether in municipal elections, and securing a system of representation which will produce satisfactory city councils. A council, to be satisfactory, must be representative; it must consist of at least a few outstanding leaders in the life of the city; it must maintain at least a fair level of ability among its members.

ELECTION BY WARDS

Proportional representation can be considered as a basis for the election of council members only in comparison with other systems which may be used. A great deal of the argument for proportional representation consists, not in an exposition of its own merits and good results, but rather in an account of the evils of the single member district or ward system, which is generally used in this country. The ward system is thoroughly bad; it fills our municipal councils with mediocre members, sometimes corrupt; it lowers the prestige of membership in the council; it creates and fosters a narrow provincialism with petty politics, wire pulling, and logrolling in the council; and usually inadequately represents the various groups of the city. There is great need for a system of representation which would fit urban conditions more realistically, and do away with the artificial ward lines and the attendant effect upon the personnel and procedure of the council.

ELECTION AT LARGE

Another method commonly used in the election of municipal councils is the block or election-at-large method. It is coming to be used widely in this country, particularly in city manager cities, where it has practically displaced the ward system. A small council, elected at large, is in almost every respect preferable to a large city council elected by wards. The outstanding defect of the block method of representation is that it makes no provision for the representation of minorities. This is a particularly serious matter where elections are conducted upon partisan lines, for one party usually captures the entire body, but it may be important even where party lines are not followed, provided some large part of the body of citizens is without representation in the city council. Fortunately, in many American cities where the council is elected at large, this objection does not apply. Party lines no longer obtain, and the voter casts his ballot, not as a member of a group, but rather as an individual, for candidates in whom, through acquaintance or reputation, he has confidence of their ability and integrity. The election-at-large system, however, has several other weaknesses. First, it places an undue premium upon the candidacy of persons who are widely known throughout the city; second, it discourages the candidacy of outstanding leaders of important groups or factions, particularly if the group or faction is in the minority; third, it compels the candidate to conduct a campaign throughout the city, often at considerable expense; and fourth, it asks the voter to cast his ballot for as many persons as there are vacancies to be filled, though he may have little information about more than three or four candidates.

The election of city councils by wards is decidedly unsatisfactory. The election at large is a great improvement, and works well in many cities, but is subject to political manipulation and to other objections which may be particularly serious in some cities. This study is to evaluate the practical operation of proportional representation as a substitute for these methods. There is given first a brief account of the history of P. R. in the several cities, which is followed by an analysis of the practical workings with respect to the claims which are made for P. R. and the objections which are raised against it. Lastly, certain modifications in P. R. are advocated to make it better adapted for widespread use in this country.

II

EXPERIENCE WITH PROPORTIONAL REPRESENTATION

ASHTABULA

Ashtabula, Ohio, was the first city in America to adopt the Hare system of proportional representation, though a number of cities and the state of Illinois had previously used systems of limited or cumulative voting, designed to secure minority representation.[1] It was adopted in 1915, and the first P. R. council was elected that year. It has continued in operation until the present time, though upon a referendum vote in 1929 P. R. was abolished. On two previous occasions it was sustained by popular vote. Ashtabula was the first municipality in this country to try P. R., and has used it over a longer period of time than any other city. The practical operation has been described in numerous magazine and newspaper articles. The most exhaustive study was that made by Professor Raymond Moley and Mr. Charles A. Bloomfield, which appeared in the National Municipal Review of November, 1926.[2] The experience of P. R. in Ashtabula over a period of fifteen years, including eight elections and three referenda on the subject, is significant.

Ashtabula is located on Lake Erie, about fifty miles east of Cleveland, with a population of slightly over 20,000. It is largely an industrial city, with an important harbor which gives employment to many of its citizens. There is a large foreign population, consisting principally of Italians, Swedes, and Finns. Under the old ward system the Italians dominated one ward, the Swedes and Finns another, and the older American stock the remaining two wards.

A charter commission in 1914 considered P. R. in connection with a new manager charter, but finally decided against it. The proposed charter was adopted by popular vote at the November election of that year, but P. R. was submitted to a popular vote in a special election in August of 1915, and adopted by a vote of 588 to 400, before the first election was held under the new charter.

The first P. R. election in November, 1915, went off without difficulty. The vote was light. The council elected was said to be thoroughly representative, though no one claimed that it differed much in character from the councils which had been elected under the old combined ward and at large system. The next day one newspaper said:

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[1] See Howard L. McBain, "Proportional Representation in American Cities," *Political Science Quarterly*, June, 1922.

[2] "Ashtabula's Ten Years' Trial of P. R."

> The drys and the wets are represented; the Protestants and Catholics; the business, professional and laboring men; the Republicans, Democrats, and Socialists; the English, Swedes, and Italians all are represented. It would be hard to select a more representative council in any other way.[1]

The other local paper said:

> It is generally conceded that it (P. R.) has given Ashtabula a broadly representative council, probably the most representative in the city's history, and that is the real aim of the Hare system.[2]

There seems to be ample evidence, however, that the members of the first council were not outstanding citizens. W. E. Boynton, the "Father of P. R. in Ashtabula," in writing of the troubles which the council experienced in selecting a manager, said:

> While some of our people blame proportional representation, it is admitted that at the bottom, the cause of our trouble was that so few broad-minded, capable men were willing to become candidates for the council, and that so few people took the interest they should have in trying to get men of this kind to serve as councilmen.[3]

Professor Hatton prophesied that as soon as the system was thoroughly understood the quality of the council would steadily improve, and that men of high professional and business standing would become candidates.[4] The principal charge brought against the first P.R. council was the election of one Corrado, an Italian saloon keeper, at one time indicted for cutting to kill. Corrado, however, had served several terms previously in the council, and, as a matter of fact, was reëlected several times and defeated twice under P. R. He was convicted of violating the prohibition law during his last term in council from 1927–1929. In the first P. R. election the wet and dry question was a disturbing factor, as it had been for years in municipal elections.

THE COUNCIL AND THE MANAGER

When the council organized in January, 1916, the first problem was the selection of a city manager. The three drys in council caucused and decided to support a local man, who was at that time director of public service. The wets retaliated and decided upon one of their own number, whose principal qualification for the position of city manager was that he needed the job. This councilman, by his own vote, was elected as manager, but the public protest was so great that he never accepted the position. After a deadlock that lasted through fifty ballots, another local man was selected. P. C. Remick, president of the charter commission and for some years president of the local chamber of commerce, said of this selection:

> The council, contrary to all precedent in cities having the manager form of government, elected as manager a citizen of Ashtabula, J. W. Prine, who had never had any experience whatever in municipal government. By trade Mr. Prine is a painter and paper hanger and followed his trade all of his life, except twelve years, when he served as postmaster at Ashtabula. It is conceded by practically all that he made the best postmaster Ashtabula ever had, and he is making good as city manager by simply using good common sense in conducting the business of the city.[5]

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[1] Ashtabula *Beacon*, Nov. 5, 1915. Quoted in the *Proportional Representation Review*, Jan., 1916.

[2] Ashtabula *Star*, Nov. 5, 1915. Also quoted in *Proportional Representation Review*, Jan., 1916.

[3] "Proportional Representation in Ashtabula," NATIONAL MUNICIPAL REVIEW, Jan., 1917.

[4] A. R. Hatton, "The Ashtabula Plan," NATIONAL MUNICIPAL REVIEW, Jan., 1916.

[5] "How the 'Ashtabula Plan' Works," *Proportional Representation Review*, April, 1917.

The principal dissatisfaction with P. R. in Ashtabula has been caused by the frequent changing of the manager, the failure of the council to select a capable man and retain him. Mr. Prine was followed within a year or so by another local man, who resigned in 1922, and was succeeded by W. M. Cotton, the first out-of-town manager, with experience and training to qualify him for the office. Mr. Cotton continued in office until 1926, when he resigned on the eve of a referendum vote upon P. R. to accept another position. He made an excellent record as manager and had the support of the majority of the council when he resigned, but was the target of bitter attack in the charter election then being held. Following this, one manager succeeded another in fairly rapid succession, all being local men without any particular training or experience in municipal administration. Many people in the city became disgusted at making the managership a football in council politics, and held P. R. responsible. This was probably the principal factor which led to the defeat of P. R. in the 1929 election.

PRACTICAL OPERATION

A painstaking analysis of the practical workings of P. R. in Ashtabula over a period of ten years from 1915 to 1926 has been made by Professors Moley and Bloomfield, comparing this period with the previous ten years.[1] The most significant conclusions reached in this excellent study, covering the first six councilmanic elections, may be summarized as follows:

1. P. R. has not affected the popular interest in elections, as reflected in the total vote for council. The average vote cast has declined 12 per cent in comparison with the average vote during the preceding ten years, but a similar decline has been experienced in other public offices.

2. The number of candidates under P. R. has been approximately half of the number under the previous combination ward and at-large system. (The number of councilmen was the same under both systems.)

3. The tenure of office has been the same under both systems.

4. There has been a measurable improvement in the quality of councilmen, but hardly sufficient to justify any claim that P. R. has been responsible. It is probable that the city manager plan has attracted somewhat better candidates.

5. The number of invalid ballots was high for the first three elections, but has since declined to a negligible number.

6. "Like-minded" or interest groups have played little or no part in the elections. Acquaintance and neighborhood association have been much more important. Labor has not been stirred to political activity, and the Socialists have practically disappeared, as elsewhere in this country.

7. Religion has played a somewhat larger part in elections. In 1917 the Guardians of Liberty, an anti-Catholic organization, supported four successful candidates, and in 1923 the Ku Klux Klan played a prominent rôle. In these elections, however, as at other times, the Catholic group was able to elect at least one representative to council.

8. Political parties have disappeared in municipal elections.

REPEAL OF P. R.

Several events following the election of 1927 tended to discredit P. R. The election of that year was marked by a larger number of candidates than in former years, and a larger vote, due in part to the referendum on a proposed sale of the municipal electric plant. The superintendent of schools, W. E. Wenner, received the highest vote. When the council met to organize, he was unable to attend because of illness. It had previously been customary to elect the candidate who had received the highest vote as president of the council, but Wenner was opposed by Arthur Rinto, former president of the council. A deadlock resulted, which was finally broken by the election of another member of the Rinto group. Shortly afterwards Mr. Wenner issued a statement from his sick bed, announcing his resignation. It should be noted, however, that the question of his eligibility to serve as councilman and also as superintendent of schools had been raised, and a test case threatened. At any event, these developments aroused considerable resentment against the council, and the method of election was held partially responsible. The *Star Beacon* which had previously supported P. R. said editorially:

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[1] *Op. cit.*

> Ever since the election in November, there has been a great deal of dissatisfaction expressed with Ashtabula's present form of voting for the selection of council members. It is apparent that the will of the majority is not entirely attained by proportional voting. Ashtabula citizens want the city manager form of government to stay, but we are not so sure about proportional representation. If the present dissatisfaction ever crystallizes into definite activity, the proponents of the P. R. system might have difficulty in convincing the voters of Ashtabula that the system is best.

Several other events caused dissatisfaction with P. R. One of the outstanding candidates for council in 1927, Ned Richards, whom many persons thought to be the most capable candidate, was defeated. He was later appointed to fill the vacancy caused by the resignation of Wenner. One member of council was able to be elected by forming a small but loyal political club to support his candidacy. Many of the outstanding citizens were disgusted at the presence of several troublemakers in council, and some thought the presence of Corrado, later convicted of bootlegging, was a disgrace to the city. The chamber of commerce led a movement for a new charter. A representative and capable unofficial charter commission was created, containing several of the strongest supporters of P. R., as well as persons who were opposed to it. This charter committee held numerous sessions and prepared several amendments to be submitted to popular vote. One amendment did away with P. R. and provided for the election of the seven councilmen at large, without an elimination primary. Another increased the salary of councilmen, a third increased the term of office from two to four years with overlapping terms, and a fourth amendment provided that a manager could be discharged only after written charges were filed and an opportunity provided for a public hearing. The unofficial charter commission, with the exception of one member, joined in securing the necessary petitions to place the amendments on the ballot in the 1929 election, though the chairman of the commission and several other members were strong supporters of P. R.

The campaign which followed attracted little attention. The supporters of P. R. formed an organization and held a few public meetings, but the other side engaged in no campaigning. The party organizations took no part. The local newspaper, formerly a supporter of P. R., ran a series of editorials in which it supported all of the charter amendments, and opposed P. R. The writer was in the city a few days before the election, and was told by the editor of the paper, the secretary of the chamber of commerce, the leader of the Republican organization, as well as by several of the strongest friends of P. R. that the amendment would be voted down. It was pointed out that the Italians, Finns, and Swedes, would vote almost solidly against the amendment, which they interpreted as an attempt to prevent them from having representation on the council.

The amendment carried by a vote of 2639 to 1935. In the precincts with the largest numbers of foreign born the vote was generally for P. R. In the two strongest Italian precincts, for example, the votes were 35 to 183 and 42 to 111 against the amendment. On the other hand, the precincts consisting largely of older American stock voted almost two to one for the amendment. The last council elected under P. R. in 1929 was an improvement over preceding councils. Two of the previous councilmen who had brought discredit to the system were not elected. One was in the federal penitentiary and could not make the race, while the other received a very light vote.

Proportional representation in Ashtabula has attracted few outstanding citizens to the council, though it should be pointed out that no civic organization has busied itself with getting good candidates to run. The council over the fifteen-year period has not worked well together. The manager has been made the football of politics during a great part of the period. The appointment of three managers, all local citizens, within the last three years has not added prestige to the council. Racial voting has been strong during the period, as was evidenced in the last election when the votes of Bernado, an Italian, were transferred. Out of 142 ballots transferred, 49 went to Candela and 55 to Paulino, other Italian candidates, while the other nine candidates still in the field received a total of only 38 votes. In a sense, the movement against P. R. which resulted in its overthrow may be attributed to a lack of tolerance on the part of the older American stock, who were bitterly opposed to several representatives of the foreign groups in council, and who attributed their presence to the election system.

CLEVELAND

Four times the voters of Cleveland have elected a city council under proportional representation, and four times they have voted to retain the system. However, the vote was close in each election, and it is generally believed that there is widespread dissatisfaction with P. R. In the last three referenda little attention was given to it, the fight centering around the manager plan and personalities. Only in the first referendum (1925) was the issue clean cut on P. R.[1] Two unofficial charter committees are at present considering changes in the charter, and it is quite probable that the matter will come up for vote again this fall. Heretofore the only alternative offered to the voters has been a return to the old ward council, with thirty-three members elected from as many wards. The Democratic and Republican political organizations have been usually lined up against the present charter, but on one occasion both organizations found themselves supporting it with the civic reformers and proportionalists. This was, however, a strange alliance dictated by the political exigencies. The continued and vigorous opposition of the party organizations to P. R. is perhaps the strongest argument in its favor.[2]

The adoption of the council-manager charter with proportional representation in 1921 came as a surprise to the party machines and to the city as a whole, despite the fact that the vote was 77,888 to 58,204. The new charter was opposed by two of the three leading newspapers. The party machines paid little attention to the matter. Professor A. R. Hatton, who drafted the charter, with a Campaign Committee of One Hundred, led the fight and secured its adoption. The time was opportune, for a wave of opposition to the old party organizations marked the election. A mediocre independent candidate, who had no organization, no platform, and made no speeches, was elected to the mayoralty against the machine candidates.

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[1] In 1927 the Friebolin amendment would have abolished P. R. and let the rest of the charter stand, but the fight centered on the Davis amendment.

[2] The Democrats opposed the last attempt to overthrow the charter in 1929.

FIRST ELECTION

The first election under the new charter came in 1923. It had been claimed that the new charter would sound the death knell of the political control by the bosses, would assure stronger candidates, more independence of councilmen, majority rule but minority representation, and would constitute a safeguard against racial and religious prejudices in the city government. The election attracted a great deal of attention throughout the country.[1] The city was divided into four districts for the election of the twenty-five members of the council. One district elected five members, another six, and two elected seven members. In three of these districts special committees were organized to bring out better candidates for the council, with some degree of success. The council was universally conceded to be the best which the city had elected for years.

The principal merit of the new council was the election of four outstanding independent candidates. The previous council had only two independents. These four consisted of Professor Hatton, the author of the charter; Peter Witt, traction commissioner under Mayor Baker, and an outstanding liberal; Miss Marie Wing, prominent social worker, secretary of the Consumers' League and former secretary of the Y. W. C. A.; and W. J. Kennedy, a Democrat who had been defeated by the Democratic organization in 1921. Of the remaining twenty-one councilmen elected, seventeen had been members of the preceding council. Fifteen were Republicans and six were Democrats. Each of the four districts elected both Republicans and Democrats, as well as one independent. The Republican organization maintained a comfortable majority, but nevertheless formed a working alliance with the Democrats.

While somewhat extravagant claims were made for the council, as a matter of fact, it was largely the old council still in the saddle. Though the four independent members constituted a valuable minority, most decisions were made by the joint Republican and Democratic caucus. Mr. William R. Hopkins, an outstanding local business man who knew politics as well as business, was selected as city manager. His administration during the following six years was marked by many major improvements in the administration of the city, but political spoils were not wholly removed from the city hall.[2] The new manager was able to get along with the Republican-Democratic machine. Large public improvements were undertaken and carried out. More street paving was laid, and at a lower cost; the streets were better cleaned; the work of all the departments was greatly improved. The general improvement in the management of public affairs was attested to by the fact that every member of the council running for reëlection in 1925, with the sole exception of Peter Witt, ran on a platform supporting Manager Hopkins.

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[1] See Raymond Moley, "Proportional Representation in Cleveland," *Political Science Quarterly*, Dec., 1923; "America's Fifth City Tries P. R," *Proportional Representation Review*, Jan., 1924, and other articles.

[2] See a report by the Citizens' League in Cleveland, "Five Years of City Manager Government in Cleveland," Supplement, NATIONAL MUNICIPAL REVIEW, Mar., 1929.

The principal criticism of the first council was that it consisted of "yes men," dominated by the manager. No member of the majority group possessed strength enough to assume leadership, which therefore came from the outside—principally from Manager Hopkins and Maurice Maschke, the Republican boss.

REFERENDUM ELECTION OF 1925

Early in 1925 the Cuyahoga Club, a young men's Democratic organization, started a movement to repeal proportional representation. Petitions for a charter amendment to return to the old ward system of election were circulated. Both party organizations supported the amendment, and the date for the election was set for August 11. It was believed that many independent voters would be out of the city, and the election, being light, would be easily carried against P. R. Professor Hatton organized a Charter Defense Committee and almost single-handed defeated the combined organizations, at an election date of their choosing. The *Press*, which had given powerful support to the proposed charter four years before, campaigned in its defense, and the *Plain Dealer*, which had not been originally in favor of proportional representation, now came out against the amendment on the ground that the system should be given a fair trial before it was discarded. Edmund Vance Cooke, the Cleveland poet, paid his respects to Maurice Maschke, the Republican boss, and Burr Gongwer, Democratic boss, in a campaign ditty. The first verse follows:

"Two reasons there are for voting P. R.
As any good man will concur,
Two reasons resplendent against the amendment,
Which reasons are Mawruss and B-rr!"

The arguments used against P. R. included the following: (1) that it was a European importation which would destroy the tried and true two-party system of the United States; (2) that it was a Socialistic scheme; (3) that it was too complicated to understand and the average citizen did not know for whom his vote would be counted; and (4) that twelve of the old thirty-three wards were unrepresented. Since the new council contained only twenty-five members, it was inevitable that at least eight wards would have no resident members in the council. The principal argument advanced for P. R. was the fact that it was opposed by the two political machines.[1]

As the election approached it was predicted that 65,000 votes would be cast, and that the majority against P. R. would be two to one. Since the party machines could be relied upon to get out their vote, it was thought that the lighter the vote, the greater the majority against P. R. When the final vote was counted, only 41,271 persons had voted out of a total registration of 211,828. The vote stood 20,353 for the amendment to 20,918 against it. P. R. was saved against the joint opposition of two powerful political machines, and at an election at which the machines had every advantage.

SECOND P. R. ELECTION

The second P. R. election in 1925 was largely a repetition of the first. Twenty-two members of the outgoing council, including the four independents, were reëlected. Three candidates were defeated by other candidates of the same party. The line up still stood 15 Republicans, 6 Democrats and 4 independents. The vote cast was very light—only 108,167. This was the smallest vote cast in a municipal election since 1915, despite the growth in the city and the enfranchisement of women in the meantime. The councilmanic race was devoid of issues, charges, or striking personalities. Every member of council, except Peter Witt, endorsed the administration of Manager Hopkins, and the Republican organization put out an attractive pamphlet extolling the merits of the administration and taking the credit. The results of the election and the practical workings of P. R. were accurately stated in an editorial in the *Plain Dealer* shortly after the election, as follows:

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[1] For an account of the election, see Norman Shaw, "Cleveland's Proportional Representation Election," NATIONAL MUNICIPAL REVIEW, Oct., 1925.

> When the first council was elected under P. R. two years ago it was generally agreed that the quality of the members-elect was rather higher than has obtained as a rule during recent administrations. The election of 1925 appears now neither to have improved nor weakened the council chosen in 1923. Of its twenty-five members, twenty-two were reëlected last week. . . . The party strength in the new council continues the same as in the present one. Republican control remains. The bi-partisan coalition is unshaken.
>
> The merits of proportional representation, as shown by these two elections, appear to be at least three:
>
> 1. It affords the machinery by which each group in the community may get representation in the council to which its numerical strength entitles it.
> 2. It makes possible the election of at least a few outstanding independents, in spite of what the parties can do to defeat them.
> 3. It constitutes a policy of insurance against the destruction of the city manager plan by political forces which would prefer the restoration of the old elective mayoralty.
>
> In at least three respects, also, it seems to the *Plain Dealer*, proportional representation has proved a disappointment after two thorough trials in Cleveland.
>
> 1. It has decreased the public interest in councilmanic elections and as a result reduced the total vote to an unhappily small minority of the community.
> 2. It has not been instrumental in getting any considerable number of men or women of outstanding merit to enter as candidates for council.
> 3. It has not shaken the control of party organizations. Republican domination continues. The old bi-partisan compact, based on division of spoils, remains in force.
>
> By and large, it seems to the *Plain Dealer* that proportional representation is nothing more than an opportunity. It is the people behind it that count. It is a political implement. If the public neglect to use it for the public good the politicians will assuredly use it for their own.
>
> There is needed in Cleveland, if proportional representation is to be retained indefinitely, a concerted independent citizens' movement dedicated to the task of getting strong candidates into the council race every two years and then helping to elect them. P. R. will not work of its own volition. Nor will the momentum of 1921's burst of enthusiasm keep it going much longer.

THE DAVIS CHARTER FIGHT

By 1927 the situation had changed. As was inevitable, considerable opposition had sprung up against the administration, and particularly against the manager, who two years previously had been so popular. Organized labor was dissatisfied because of the labor policy of the administration. Early in 1927, Harry L. Davis, former mayor of the city and ex-governor of the state, seized the opportunity to unite the various disgruntled elements of the population, and attempt to overthrow the Maschke control of the Republican machine and capture the city government. A new charter, providing for a return to the old ward council and the election of the manager by popular vote was prepared and petitions circulated to have it submitted to a popular vote during the summer of 1927. The petitions were filed with the board of elections. There they were held up on technicalities, and finally a test case was taken to the Supreme Court of the state to determine whether such petitions should be filed with the board of elections or with the council. The Supreme Court upheld the council's contention that the petitions should be filed with it. Davis requested the election board to return his petitions so that he could then file them with the city council, but the board refused until it could secure legal advice. Months dragged along until it became impossible to secure a special election prior to the regular fall election. Serious defects in the Davis charter amendment were pointed out by the Citizens' League, and finally Davis decided to draw up a new charter and circulate petitions to have it placed upon the ballot at the regular election.

At the November election of 1927 no less than four separate charter proposals were submitted to a popular vote. The Davis amendment, referred to above, provided for a return to the mayor-council form of government, with 33 members of council elected by wards on a strict plurality basis, without a previous primary. It further provided that should it be adopted, the manager would go out of office within a week, and a special election be called to elect a mayor and council under the new charter. It was generally supposed that if the amendment passed, Davis would announce his candidacy for mayor.

Three other charter proposals were submitted to popular vote, two of which were designed to split the Davis vote. The Harris amendment was practically identical with the Davis proposal, except that it would have gone into effect two years later instead of almost immediately. It provided also for the election of councilmen by the old ward lines, but with the Bucklin system of preferential voting, which had previously prevailed. The Friebolin amendment would have returned to the old ward council with preferential voting, but retained the manager plan. The Citizens' League proposed the creation of a charter commission to make an orderly revision of the charter and to submit a new charter to a popular vote a year hence. With this proposal was included a slate of candidates for the proposed charter commission, to be voted upon in addition to the charter proposals and the candidates for the council. To add to the confusion, the Davis amendment and the Harris amendment were placed upon separate ballots so nearly identical in size and type, and without any label whatever, that the Davis amendment voter had to be schooled to look for the figure "201" in line twelve and vote yes for this proposal and no on the others.

The bitter campaign which took place rocked the city. The forces of civic righteousness joined hands with the two political machines to defeat the Davis charter. In the Republican party it was a battle for control. The leaders of the party were bitterly opposed to P. R. and to the manager plan, but were forced to support them in this election, because it was believed that a victory by Harry L. Davis would place him in control of the Republican organization. The Democratic machine came to the rescue of its friendly enemy, the Republican machine. The proportionalists joined forces with these allies to save P. R., and the Citizens' League gave its support to save the manager plan.

Davis was at once the strength and weakness of his cause: strength because of his personal popularity with large groups of voters and his ability to unite the various disgruntled elements of society; weakness because of his past record and the bitter opposition to him by what turned out to be a majority of the voters. He was able, however, to take over parts of the Republican machine and to secure the support of a large part of organized labor. As the campaign went along it became more and more a fight over organized labor.

City Manager Hopkins had failed to carry into effect certain municipal ordinances requiring the use of union labor and fixing a minimum wage, and had thereby incurred the bitter hostility of organized labor. Labor looked upon the fight as one to get rid of Hopkins, while the business interests contributed heavily to the other side.

A more confusing election would be hard to imagine. Two of the four amendments were practically identical, not only in substance, but the ballots were almost indistinguishable. The issues, however, were strictly subordinated to personalities. Harry L. Davis occupied the center of the stage. He held numerous public meetings with wildly enthusiastic audiences. The newspapers gave him generous publicity. His platform, stated broadly, was to restore the government to the people. Greatest emphasis was laid upon the city manager plan and Manager Hopkins, but proportional representation came in for denunciation also.

The allied forces opposed to the Davis amendment centered their attack upon Davis personally and his past record as mayor of the city. They insisted that the amendment was designed to restore him rather than the people to political power. In particular, they criticized the undue haste with which the new charter was to go into effect and laid it to the political aspirations of Davis. The proposed charter gave large powers to the mayor over appointments and purchases. One of the speakers opposed to the Davis amendment read its provisions concerning the powers of the mayor to his audiences, inserting as an aside after the word mayor,—"that means Davis."

City Manager Hopkins and Maurice Maschke, the Republican boss, were both drawn into the campaign. The Davis forces capitalized the growing unpopularity of the manager, as well as the old resentment against the Republican machine and its leader. Hopkins replied with effective speeches in defense of his administration, reviewing it and making comparison with previous administrations. His vigorous defense of the manager plan and his administration added great strength to the allies, and drew considerable financial support.

The vote was close, but the Davis amendment was lost by a vote of 80,148 to 73,732. The other charter proposals were voted down by a larger vote, but as the campaign drew to a close, the fight centered on the Davis amendment. Davis charged that serious frauds had been committed in the election, and that his amendment had carried, but had been counted out. Immediately a movement was started to submit the question again to a popular vote at a special election. The closeness of the vote and the showing which the Davis amendment had made against the combined party machines and the civic organizations indicated that there was considerable dissatisfaction with the charter and with the administration. Part of this, no doubt, had been brought about by the obstructionist tactics of the council and the board of elections in attempting to prevent the matter from coming to a vote, as well as resentment at the introduction of other charter proposals to confuse the issue.[1]

THE ELECTION OF 1927

The councilmanic election of 1927 was largely overshadowed by the charter amendment fight. The total vote cast was 163,901, a large increase over the two preceding elections. The election resulted again in the Republican organization securing fifteen members of council. The Democrats increased from six to eight members, and two members were elected without party endorsement. The new council contained only one of the original four militant independents. Dr. Hatton had accepted a position in Northwestern University at Evanston, and was not a candidate. Peter Witt refused to run, and Miss Wing was defeated. Mrs. Helen Green, twice elected with Republican backing, but with considerable independent support, was also defeated. The two independents in council, W. J. Kennedy of the original four, and Claybourne George, as well as the semi-independents, were welcomed into the party folds, and the bi-partisan combine functioned perfectly during the first year of the term. At the time it was said that there was no longer any minority whatever in council, and many well-informed persons began to despair of P. R. as a method of electing the council. The 1927–1929 council was a distinct disappointment to the friends of good government and the advocates of P. R.

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[1] For an account of the charter campaign, see Earl L. Shoup, "The Manager Plan in Cleveland," *American Political Science Review*, May, 1928, 372–377.

Two other outstanding facts marked the 1927 election, namely: first, the election of three Negro members of the council for the first time in the history of the city; and second, the absence of a Polish representative. One of the Negro members had served in the council prior to the adoption of proportional representation, and was a staunch supporter of the Republican machine; the other two members were elected by independent votes. A bitter fight in the second district between two leading Polish candidates prevented the election of either.

THE 1928 REFERENDUM

Immediately following the November election the Davis forces announced that the charter amendment, with a few minor revisions, would be pressed, and an attempt made to submit it to a popular vote in April of 1928. On January 12, however, a substantially altered charter amendment was made public. The amendment, if adopted, would not go into effect until January 1, 1930, and the provisions concerning purchases and contracts were altered to meet some of the bitterest attacks made in the previous campaign. In the meantime, Davis had made peace with Maschke, who followed with a statement that inasmuch as the most objectionable features of the proposed amendment had been eliminated, he would withdraw from active opposition and adopt a policy of neutrality. It was generally supposed that Maschke had agreed to keep hands off the charter fight with an understanding that Davis would keep out of the presidential primary fight between Hoover and Willis, with Maschke actively supporting the former.

The April referendum upon the revised Davis charter proposal was a great contrast to the previous charter campaign. Only one proposal was submitted to the voters. The party organizations adopted a neutral position, and the campaign was hushed up as much as possible by the Republican machine. City Manager Hopkins had made peace with organized labor, which now withdrew from the battle. Hopkins himself took no part in the campaign, and the newspapers even refrained from heaping abuse upon Davis and his record. The campaign was a quiet one. The newspapers gave little publicity to the Davis meetings, which were attended by only a handful of voters and workers. The charges which Davis made were all "old stuff," and could not command a place on the front page. Davis complained to the reporters that the policy of silence on the part of the press was proving his undoing. The ward organizations were left free to follow their own inclinations in the election, and some of them which cast a large vote against the amendment in the fall now turned around and ran up a large vote for it.

The Cleveland League of Women Voters came to the rescue of the charter. At first an effort was made to effect a consolidation of all the civic organizations in a charter defense campaign. This falling through, the League of Women Voters assumed the responsibility for the defense campaign alone, and waged a quiet, but effective fight. Twenty-five wards were organized with precinct workers who made a house-to-house canvass to get out the vote against the charter amendment. The Citizens' League issued two bulletins, pointing out glaring defects in the proposed charter, aside from the abolition of P. R. and the manager plan. It also brought out evidence of wholesale frauds in the Davis petitions which had been submitted, many of the names being forgeries. Many of the members of the council who had found it easy to be reëlected under P. R. were active in their support of the system. Their position, stated generally, was that P. R. was fair and greatly increased the freedom of members of the council from machine control. Again the vote was close: 44,122 against the amendment to 40,890 for it. For a little while, but only a little while, the issue was settled.

CITY HALL SCANDALS

Following the primary election in August, 1928, the Cleveland Bar Association called upon the governor of the state and the attorney general to conduct an investigation of charges of election frauds in Cleveland. The attorney general conducted such an investigation and convened a special grand jury, which demanded the immediate ousting of the entire election board (with the exception of one member) and also the clerk and deputy clerk. This was done and an entirely new board appointed only a few days before the presidential election of 1928. During 1929 a number of indictments of precinct election officials were made and several convictions secured.

At the general election of 1928 the Democratic candidate for county prosecutor, Ray Miller, was elected. Upon his entry into office he undertook to prosecute vigorously charges of fraud in the city council. The first conviction was that of a veteran Republican council member for soliciting and accepting a bribe, in connection with a disability payment to a policeman injured in line of duty. This was a petty case in comparison with the land scandals soon to be brought to light. The chairman of the finance committee was convicted of pocketing some $33,000 in a land deal involving $83,000. Two other councilmen and the city clerk were indicted, but were acquitted or the case dismissed.[1] The investigation of land scandals in the council was headed by an independent Democrat, Dr. Walz, who, coming from a strong Republican district, owed his election to P. R. W. J. Kennedy, another independent who owed his election to P. R., introduced a resolution to make a special investigation of the civil service administration, and was made chairman of the special committee.

1929 REFERENDUM

These scandals in the city hall received wide publicity, and it was under these circumstances that the movement for a new charter was again revived.

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[1] See Doris Darmstadter, "The Cleveland Charter Threatened Again," *American Political Science Review*, Aug., 1929, 732–735.

This time the original movers came from the camp of supporters of Peter Witt, but the amendment was soon taken over by Harry L. Davis, and was dubbed the "Three D" charter, because its three principal sponsors were Davis, Saul S. Danceau and Edward T. Downer. The proposed charter provided for a council of 33, elected by wards, and a return to the elected mayor in the place of the manager. The election was set for August 20, 1929. The line-up in this election was different from that of any preceding referendum vote on P. R. and the manager system. The Davis forces were joined by the regular Republican organization, though Maschke purposely left the city before the election. Some of the followers of Peter Witt led the movement, though Witt himself refused to support it. The Democratic organization, led by Burr Gongwer and Mrs. Bernice S. Pyke, actively opposed the amendment. The League of Women Voters, the Citizens' League, and other civic organizations joined forces to defeat the proposed amendment, and a Progressive Government Committee was formed to protect the charter against its enemies and to clean up the council. This organization was adequately financed, and a vigorous campaign was waged. The expenditures of the combined forces opposing the charter amendment, as officially reported, totaled $70,000. For the first time probably in years, the Republican organization found its opponents with larger sums of money to carry on the campaign.

The campaign centered on the issue of the city manager plan, and little attention was paid to P. R. Even the *News*, persistent and bitter enemy of P. R., came out against the "Three D" charter with a statement that it would set the city back ten years.[1] The *Plain Dealer* and the *Press* vigorously opposed the amendment. Again the vote was close: 47,134 for the amendment to 50,138 against it.

1929 ELECTION

The councilmanic election in 1929 was by all odds the most significant P. R. election yet held in Cleveland.[2] Its results should do much to strengthen the position of P. R. and to win over former opponents. "The council as a whole is easily the best ever elected," wrote Philip H. Porter, political writer of the Cleveland *Plain Dealer*.[3] Nine former council members of the Republican organization failed of reëlection, or declined to run, and these, generally speaking, were the most discredited members of the previous council.

The Progressive Government (P. G.) Committee, formed during the charter campaign in the summer, took an active part. A fusion was made with the Democrats, though the P. G. slate and the Democratic slate were not identical in any one of the four districts. The P. G. Committee recommended a slate of 25 candidates and the Democrats endorsed 22. Two candidates, Marshall and Michell, were endorsed by both the P. G. Committee and the Republican organization, while one independent Republican was endorsed by the Democrats. In addition to these overlapping slates, several candidates supported by Peter Witt, popular independent leader, attacked Manager Hopkins very bitterly, but also assailed both party organizations and the P. G. Committee. The various newspapers each endorsed a list of candidates from the various party slates, and the Citizens' League issued its statement, placing some candidates on a preferred list and others on a qualified list. Dr. W. F. Walz ran without the endorsement of any party, and polled the highest vote received by any candidate. Numerous other candidates ran, but failed of election.

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[1] *News*, Aug. 6, 1929. Editorial.

[2] For accounts of this election, see Randolph O. Huus, "Cleveland Elects Promising Council," NATIONAL MUNICIPAL REVIEW, Dec., 1929, 786–787; and *Proportional Representation Review*, January, 1930.

[3] Nov. 10, 1929.

Under these circumstances, with at least four distinct groups or parties in the field, the election was undoubtedly confusing. The principal issue of the opponents of the dominant Republican organization was corruption in office, and the Maschke machine. The Republican organization purged its slate of the discredited members and put out a better slate of candidates than in previous elections. The P. G. Committee and the Democrats together drafted a number of candidates of outstanding qualifications who were elected. In this list would be included Susan M. Rebhan, former national secretary of the Y. W. C. A., former vice-president of the Ohio League of Women Voters, and an able attorney; George W. Furth, prominent attorney; Conrad Krueck, prominent business man; and Joseph Trinastic, assistant director of the Citizens' Bureau.

The result of the election was that the Republican organization captured 13 out of 25 places in council, but two of these were candidates jointly endorsed by the P. G. Committee. The Democrats and P. G. Committee together elected 11 members, not counting the two Republicans endorsed by the P. G. Committee. Dr. W. F. Walz was elected without endorsement of either slate. Fourteen members of the previous council were reëlected with 11 new members. Of the three Negro members of the previous council, only one, Claybourne George, was reëlected, but two other Negroes, Dr. Bundy, a dentist, and Lawrence O. Payne, an attorney with the endorsement of the Citizens' League, were elected. A number of councilmen with mediocre records, who had never done anything in council and were regarded as "yes men," failed of reëlection. Philip H. Porter wrote in the *Plain Dealer:*

> The yes-men and colorless rubber stamps are slowly but surely being weeded out. For a councilman to keep his seat it is becoming increasingly necessary that he be somebody and do something except sit there in the chamber and keep his desk from falling over.[1]

Corruption in government, graft and scandals, constituted the principal issues of the campaign, but the Republican organization very astutely shifted the issue as much as possible to City Manager Hopkins, and alleged that the P. G. Committee was designed solely to continue Manager Hopkins in office. The leaders of the P. G. Committee replied that they were interested in securing a strong council and perpetuating the manager plan, and that Hopkins was not an issue. The committee, however, had refused to endorse several strong anti-Hopkins candidates, and was jockeyed into the position of defending him. The Democrats avoided this issue as much as possible, but refused to endorse Dr. Walz because of his opposition to Manager Hopkins.

DISMISSAL OF MANAGER HOPKINS[2]

The first show of strength came with the motion to dismiss Manager Hopkins. The Maschke forces in order to carry the motion through had to hold in line the entire thirteen councilmen elected with Republican endorsement, or else recruit strength from the outside. Mayor Marshall refused to go along, but Dr. Walz and one Democratic member voted with the Republicans, and Hopkins was dismissed by a vote of 14 to 11. The removal of Hopkins, which had been foreseen, was due to his break with the Maschke machine, caused by his increasing independence.

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[1] Nov. 10, 1929.

[2] See Randolph O. Huus, "Cleveland Council Removes City Manager Hopkins" and George H. Hallett, Jr., "The New Administration in Cleveland," NATIONAL MUNICIPAL REVIEW, March, 1930.

State Senator D. E. Morgan, an outstanding local attorney of high reputation, but without much training and experience in municipal administration, was chosen to take his place. The new administration bids fair to accomplish much, though political spoils and patronage are still present. The grip of the Republican machine has been broken, though it still retains a nominal majority in council.

In the meantime the Citizens' League has set up an unofficial charter committee to consider changes in the charter. The principal consideration before the committee is proportional representation. What action it will take is very uncertain, for it is known that the committee is divided on the question. While it is believed that proportional representation is generally unpopular with the rank and file of voters, a return to the ward system is not looked upon with favor, nor is the at-large or block system of election suited to the political conditions of Cleveland.

SUMMARY

Proportional representation has not been a marked success in Cleveland, but it has probably worked better than any other system would have worked under the same circumstances. It has operated under decided handicaps. The council is too large to attract the best citizens. The division into four districts has been a confusing element in elections, preventing effective publicity throughout the city and making it difficult for a nonpartisan civic organization, such as the Charter Committee of Cincinnati, to operate. The election of 25 members, even though divided into districts, has encouraged voting along racial lines. Proportional representation has not automatically freed the city from the domination by party machines. During three terms the power of the Republican machine was practically unabated. At present it has a bare majority, but on account of the scandals in the city hall, the retention of a clear majority in the last election was a notable success for the organization. However, under the ward or block system of electing the council, with the opposition divided, the Republican organization might have easily elected an overwhelming majority.

The quality of the council has not been extraordinarily high, despite the flattering remarks which were made about the original council under P. R. This is evidenced by the lack of leadership in council, which has been dominated by the manager during the past six years. The principal criticism of P. R. has been that it has made little difference in the character of the council. The present council, however, is a decided improvement over its predecessor, and would compare very favorably with the city councils of other large cities in the country. With the formation of the Progressive Government Committee, a nonpartisan organization to draft capable candidates, the prospect is decidedly better for the future. Good candidates simply will not run in a large city if they have to announce their own candidacy and wage their own campaign, or dicker with the party organizations. The showing made by the P. G. candidates in the last election will make it easier to draft capable candidates in the future.

Cleveland, like many other American cities, is weakened in its political life by the large number of outstanding citizens who have moved to the high-class residential suburbs. The persons who have been most active in Cleveland politics, aside from the candidates themselves, are not residents of the city. It is asserted that at present not a single member of the executive committee of the Bar Association is a resident of the city. Perhaps more than any other large American city, Cleveland is suffering from emigration of its best citizens, who should afford the political leadership of the community. This obviously greatly increases the difficulty of getting capable candidates to run for council, and no electoral system, however perfect, can do better than to elect to office the best candidates who offer themselves.

The experience of Cleveland clearly proves that a system of four districts in connection with proportional representation, instead of election at large from the entire city, is undesirable. It makes it more difficult to focus publicity upon the campaign, more difficult for civic organizations to function effectively, and increases greatly the opportunity for racial and ward voting. A much smaller council, say of nine members, elected at large by proportional representation, would result in a better all-around council and decrease racial voting and ward politics.

CINCINNATI

Cincinnati proudly claims that under its city-manager, proportional-representation charter it has changed from the worst-governed large city in this country in 1925 to the best governed large city in 1930. This is not an idle boast. It is generally agreed upon by the students of municipal government throughout the country, who have followed with interest and amazement the revolution in municipal affairs in Cincinnati during the past four years. The new charter has been successful beyond the dreams of its authors, and the municipal government of Cincinnati is deservedly a model and a source of inspiration for cities still under the domination of machine rule and political administration.

Proportional representation under the new charter has been an unqualified success. It has done all that its proponents claimed for it and more. It has worked out mathematically accurately in every election, awarding to each group its due representation, and permitting the voters of the group to choose their own representatives. When proportional representation was first advocated in Cincinnati the principal argument for it was that it would give the minority of independent voters representation in the council. Some of the proportionalists pointed out to Murray Seasongood (later mayor) that he would make an ideal, fighting minority member of council. The actual result for three elections has been that the independent voters, organized under P. R. into a Charter Committee, instead of being the minority, have become the majority. The Republican machine, which in 1925 had 31 out of the 32 members of council, has never been able to command more than approximately one third of the total vote cast, and has, consequently, secured only three members out of the present council of nine. The so-called Republican majority, which had dominated city politics practically without interruption for forty years, turned out to be actually a minority. In all probability this has been the case for years, for the control of the Republican primary requires only a minority, which has been furnished by the army of political workers, employed in the county or city service.[1] The voters heretofore have seldom had any real alternative to express their dissatisfaction with the Republican rule. When the party became discredited from time to time, the leaders would place on the ballot or on advisory committees a few persons of prominence who were willing to help bolster up the standing of the party, without taking any real part in the government of the city. Such, indeed, has been and is still the history of politics in many American cities.

ADOPTION OF P. R.

The government of the city of Cincinnati in 1923 became practically bankrupt. Under state law additional tax levies and bond issues had to be voted upon by the people, and the public, having lost confidence in its government, controlled by the Hynicka Republican machine, refused consistently to approve additional tax levies or bond issues. The city hospital had to be taken over by the county, on account of lack of funds, and every municipal department had its work seriously curtailed. The streets were in disrepair, the members of the police and fire departments, seriously underpaid, were forced to take a month's leave of absence without pay, parks and playgrounds were slighted, and the social service work of the city neglected. Something had to be done to restore the confidence of the people in their government. The Republican organization appointed a Citizens' Survey Committee to examine in detail the workings of the city and county government and to make recommendations. This committee in turn employed Dr. Lent D. Upson of the Detroit Bureau of Governmental Research, with a staff of expert investigators, to make such a survey. The result was the famous Upson report,[2] which paved the way for a new day in municipal affairs. A new charter, providing for a council of nine members, elected every two years by proportional representation, and a city manager, was submitted to popular vote at the November election of 1924, and adopted by a vote of 92,510 for to 41,105 against. The campaign for the charter was conducted by a City Charter Committee, of which Mr. Henry Bentley was chairman. A ward and precinct organization was effected, making use of public-spirited men and women who volunteered their services. The thoroughness of their work is indicated by the vote upon the charter proposal. Two other charter proposals were submitted by the council, to divide the vote, one for a council of nine members elected at large, and another for a council of nine members elected by districts. Neither proposal received 20,000 votes, out of a total vote of over 130,000.

THE FIRST ELECTION

As the first election in 1925 approached it became apparent that prospective independent candidates, fearing the strength of the Republican organization, would not stand for election without the assurance of some organized support. The Charter Committee decided to put a slate of candidates in the field and appointed a nominating committee. Considerable discussion arose as to the number of candidates who should be offered, and the decision was finally reached that a full slate of nine, representative of all important groups, should be nominated, for under P. R. each candidate should lend strength to the ticket. The nominating committee selected nine outstanding citizens to run, six of whom were independent Republicans, and three were Democrats acceptable to the Democratic organization. Before the nominations were announced, however, care was taken to prevent the Republican organization from endorsing one or two Charter candidates, thus confusing the issue and later, perhaps, claiming victory because of the election of such candidates. Each candidate was pledged to support the entire charter slate and to circulate with any literature which he might put out, a uniform card printed by the Charter committee, asking for support of the entire slate.

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[1] See Henry Bentley, "Cincinnati's Right About Face in Government," NATIONAL MUNICIPAL REVIEW, Aug., 1926.

[2] Lent D. Upson, *The Government of Cincinnati and Hamilton County* (Cincinnati, 1924).

The Republican organization was obviously puzzled to know what tactics to adopt to win the election. Not understanding the fundamentals of P. R., it decided to put only six candidates in the field, and to assign each to a particular district. It was believed that this arrangement would permit the organization to beat the system. The candidates were also assigned in pairs, each candidate being instructed to solicit second-choice votes for the candidate with whom he was paired. As the campaign progressed, this led to a great deal of friction. Dissension broke out within the ranks, for certain candidates thought they were being double crossed, and others believed that they were assigned to difficult districts. Then, too, many voters resented being told in what order to vote, and this lost votes. The assignment was unhappy in several instances. For example, Adolph Kummer, President of the Central Labor Union, was assigned to a district which contained some of the wealthiest residential sections of the city. The favored organization candidates were assigned to the Republican strongholds.

The Charter Committee followed a different policy. Each candidate was left free to gather votes wherever he had strength, and the voters were urged to cast their other choices for members of the Charter ticket, but were not instructed in what order to vote. The campaign was harmoniously conducted, with a minimum of friction between the various candidates.

The position of the newspapers in the campaign was of great significance. It was obvious that no slate would capture the entire membership in council. While the *Post*, which had campaigned vigorously for the new charter, endorsed the entire Charter ticket, the *Enquirer*, *Times-Star*, and the *Commercial Tribune* each endorsed a mixed ticket of its own choosing. Under any other form of election, it would have been highly probable that the newspapers would have taken a definite stand on one side or the other, and endorsed the entire slate, but under P. R. it became necessary for even the organization newspaper to endorse certain candidates on the other side. This stimulated consideration of the individual merits of the candidates of both groups, and greatly facilitated intelligent voting.

The Charter Committee ticket polled a total vote of 76,000 first choice votes, and elected six members to council; the Republican organization received 33,000 votes, and elected three members; while about 10,000 votes were scattered among other candidates, and were quickly transferred to the candidates on one of the two tickets. Only one member of the outgoing council was reëlected, Charles O. Rose, an independent Republican endorsed by the Charter Committee. Three other councilmen, out of the total of thirty-two, ran, but were defeated. This indicates better than any other fact the revolution which took place in the membership of the council. Outstanding men like Murray Seasongood, Edward T. Dixon, Tyler Field, and

Stanley Matthews, who would not have considered running for council under the old regime, were elected on the Charter ticket. On the other hand, the Republican candidates elected to council were strictly organization men, and in no way outstanding in their qualifications. They would have been perfectly at home in the previous council.[1]

An analysis of the election made by Robert P. Goldman of Cincinnati shows conclusively that race and religion played only a very minor rôle. When the surplus ballots of Murray Seasongood, a Jew, were transferred, only 2 per cent went to other Jewish candidates. Of the surplus ballots of Dixon, a Democratic Catholic on the Charter ticket, 30 per cent went to another Democratic Catholic on the same ticket, while only 8 per cent went to a Catholic on the Republican ticket, and 60 per cent went to non-Catholics. The Negro voters in 1925 voted for the regular Republican organization candidates rather than for independent Negro candidates.

THE COUNCIL AND THE MANAGER

When the new council organized, Murray Seasongood, who had been a leader in the charter fight, and who polled second highest vote, was elected mayor. Judge Dixon, who polled the highest vote, graciously stepped aside. Mayor Seasongood assumed the rôle of leader, but not dictator, in council, and gave to the city a type of courageous and statesmanlike leadership rarely seen in municipal government in this country. He acted as a buffer for the manager and relieved him of many embarrassing situations. He personified the fight for honest and efficient government, and did not hesitate to incur enmities when such were necessary for the welfare of the city. Two years later he led the poll with a vote double the quota—an extraordinary record under P. R. Other members of council afforded leadership upon other lines, less dramatic, but no less essential. Councilman Rose was the best versed man in the city on public finance, and was made chairman of the finance committee, while Tyler Field was influential in public improvements.

The council selected Colonel Clarence O. Sherrill, formerly director of public buildings and public parks of Washington, D. C., as city manager. To say that he has been a highly successful manager is putting it very mildly. He has not attempted to dictate the policies of the city government and has not dipped into politics, but his administration has been marked by efficiency, large public economies, farsighted planning, and the successful carrying out of many public improvements, including city planning, street widening, and paving. No wholesale removals were made when he came into office. The city employees were given to understand that they could remain if they were qualified and would show their worth. His outstanding success as the chief executive of the city has lent a great deal of strength to the Charter Committee, though in the elections of 1927 and 1929 the Republican organization professed its support of him.

1927 ELECTION

The second election under P. R., coming in 1927, was largely a repetition of the first one. Seven of the nine councilmen were reëlected. Luchsinger, a Charter councilman, did not run for reëlection, and his place was taken by Charles Eisen, vice-president of a leading bank; while on the Republican ticket, Councilman Lackmann was defeated by Judge Yeatman, an organization Republican, but running without organization support. Two Charter candidates were endorsed by the Republican organization, but this endorsement proved to be a handicap rather than a help, and they nearly failed of reëlection. The Republican slate this time was adorned by the presence of three prominent citizens who two years previously were supporters of the Charter ticket. These candidates, however, made a miserable showing, for the regular organization voter preferred to cast his ballot for the strictly machine candidates, and the independent voter was not attracted to the Republican slate. The Republican tactics of window-dressing the ticket by including a few prominent citizens, whom the organization gave no real support, did not fool the public. The two Democratic Charter councilmen were reëlected, and the council still stood six Charter members to three Republican members. The movement for good government had weathered the first election after going into office.

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[1] For a detailed account of the election, see: "The First P. R. Election in Cincinnati," *Proportional Representation Review*, Jan., 1926.

1929 ELECTION

The real test of the Charter Committee came in 1929. Four of the six Charter members of council, Seasongood, Dixon, Field and Eisen, declined to run again. Seasongood, Dixon and Field were the best vote-getters of the Charter candidates in previous elections. Many persons believed that their retirement would mean defeat for the Charter ticket. The Charter Committee put into the field a slate of nine persons, six of whom had never been candidates for public office before. They were opposed by the strongest Republican ticket, from the standpoint of vote-getting, which had run up until this time. Eight of the nine Republican candidates had held public office. Two were prominent business men, but, as was the case two years before, they ran poorly, the organization throwing its strength to favored candidates.

The Republican organization made a strenuous effort to recapture the city government. County employees were called upon to contribute to the campaign, and the forces were rallied under the slogan of Republicanism. "Party Responsibility" was the battle cry of the campaign. The voters were pleaded with to vote for the Republican candidates in order to save the Republican party in the state and in the nation. The Charter candidates, because of the fusion with the Democratic organization, were called "Charter Democrats." The Charter ticket was helped by the fact that the Negro voters became dissatisfied at the refusal of the Republican organization to put a colored man on the ticket, and largely supported two independent Negro candidates, voting a first and second choice for them and then stopping. When Conrad, one of the Negro candidates, was eliminated, 853 votes out of a total of 1,138 transferred votes went to Hall, the other Negro candidate. When Hall was eliminated he had a total vote of 8,099 votes. Of this number, 4,450 could not be transferred because the choices were exhausted. Of the 3,649 that were transferred, 2,346 went to Republican candidates, and 1,303 to Charter candidates.

The election for the third time resulted in the Charter ticket capturing six places, to three for the Republican organization. While the count was nearing its end, many of the Republican bolivars (as ward heelers are called in Cincinnati) shook their heads in despair. It seemed that there was something mystical about P. R. which decreed that the machine could never get more than three out of the nine places. The results of the election were as follows:

Party	First Choice Votes	Per Cent	Number of Councilmen Elected
Charter	78,753	56.8	6
Republican	50,923	36.7	3
Independents ..	9,080	6.5	0
Totals.......	138,756	100.0	9

It will be seen that each group secured the number of councilmen which it was entitled to, as nearly as mathematically possible. Aside from the two Negro candidates, who received a large racial vote, the vote received by the independents was negligible. The other four independents received only a total of 1,120 votes. Of the six Charter candidates elected, three had been endorsed by the Democratic organization. Heretofore only two Charter Democrats had been elected. Two outstanding events marked the election: first, the heavy vote polled by Russell Wilson, a former newspaper editor upon whose shoulders has fallen the mantle of Murray Seasongood; and second, the election of Julian A. Pollak, prominent business man and multimillionaire, who stood twelfth on first-choice votes.

SUMMARY

Proportional representation has been a striking success in Cincinnati. It has made possible the successful organization of the City Charter Committee, composed of independent citizens interested in securing good government. This civic group (sometimes called a municipal party), formed originally to secure the adoption of the charter, has continued to wage the fight for a good council. It has no policies or principles, other than the selection of outstanding candidates and waging the campaign for them. It does not issue any platform in a city election. The leaders of the organization point with pride to the fact that no attempt is made to influence their members in council, or to secure favors for their friends. The volunteers who work for the Charter committee are unpaid and expect no political reward. Yet in the last campaign more than 5,000 men and women volunteered their services, canvassed their block or precinct, manned the polls as watchers or challengers, and got out the vote. The Charter Committee opens up a way for the average citizen, independent of party control, to take a dignified and useful part in politics, beside that of merely voting. So far the campaigns have been made dramatic and interesting to the rank and file of voters. They have been well handled, and the loyalty of the majority of citizens of Cincinnati to the Charter Committee at the present time exceeds their loyalty to any party organization.

The Charter Committee has operated upon the fundamental principle that capable candidates will not run for office unless they are drafted, and they cannot be drafted unless the office is attractive and they are freed from the embarrassment of waging their own campaign and soliciting votes. The whole campaign is conducted on a dignified plane. When public meetings are to be held, the committee arranges for it, attends to the entertainment, the publicity, and sees to it that the candidate is presented in a favorable manner. As a result, the Charter candidates have been uniformly persons of high standing in the community.

The question may be raised whether the Charter Committee, rather than P. R., is not really the cause for the success of the new charter. In the opinion of the leaders of the Charter Committee, both factors have been essential. P. R. has guaranteed to each group representation in the council according to its strength. An independent organization can feel sure of securing some representation in council, though it may be only a minority. P. R. has made it possible to draft outstanding candidates to run for the council, and has made it impossible for any party to smear the issue by putting up a slate of machine candidates with one or two notables to camouflage the ticket.

The control of politics in Cincinnati prior to the adoption of the new charter was easy for the Republican machine, for the real test came in the primary, when the vote was light, and the army of public employees and their families could swing the election. P. R. has the effect of forcing every voter who would participate in the election to vote also in the primary, for the primary and final election are combined in one. The independent voter who formerly stayed at home on primary days now makes his vote count. Formerly the party organizations had a monopoly upon nominations—the entrance to public office. P. R. takes this monopoly away from them. It is extremely significant that while the Republican machine is discredited and distinctly in the minority in Cincinnati, it still controls the county where the Republican primary is the real election. The civic reformers have attempted with little success to invade the Republican primary in county elections.

BOULDER, COLORADO

The city of Boulder, Colorado, adopted a city manager charter with proportional representation for the election of the council, under the state home rule amendment, in 1917. The charter provided for a council of nine members, with a term of six years, three members coming up for election every two years. It has been pointed out that this unusual arrangement for P. R., with only three members elected at a time, limits the application of the principles of the system, and that continuity in office can be secured without overlapping terms.[1] The city of Boulder, however, is a very homogenous community, containing practically no foreign born, and this limitation upon the principles of P. R. has probably made little difference in actual operation. Boulder had a population of 11,006 in 1920, and is the home of the state university. It has no industries worthy of note, but because of its beautiful setting at the foot of the Rockies, high altitude and equable climate, is an important resort and tourist center. The shift in population from year to year is probably quite high.

The experience of Boulder with P. R. is not particularly significant.[2] The councils elected in the twelve years of P. R. have been entirely satisfactory, consisting for the most part of prominent business, professional, and university men and women, but persons of this kind were elected to council prior to the adoption of P. R. Competent observers informed the writer during a visit to Boulder that P. R. had made little if any difference in the personnel of the council. The people are well satisfied with the system, and have voted twice by very large majorities to retain the city manager charter and P. R., but it must be noted that in each of these elections the popularity of the manager plan was an important factor. The first referendum vote in 1923 resulted in 2,730 to 1,340 for P. R., while the second vote in 1925 was 1,709 to

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[1] Hoag and Hallett, *Proportional Representation*, p. 201.

[2] The best account of P. R. in Boulder is by Professor Arnold J. Lien, "Eight Years of Proportional Representation in Boulder, Colorado," *Washington University Studies*, Vol. XIII, 247–266, Oct., 1925.

1,284 in favor of P. R. The system has come to be taken for granted, and there is little discussion or sentiment upon it, pro or con. There are, to be sure, a few persons who object to it because of its complexity and because of the number of ballots which have been blank or invalid.

The most significant feature of the practical workings of P. R. in Boulder has been the high percentage of blank or invalid ballots. The following table gives the experience since P. R. was adopted:[1]

Election	Total Ballots	Invalid and Blank Ballots	Per Cent Invalid
1917..........	859	177	20.6
1919..........	1,165	275	23.6
1921..........	838	73	8.7
1923..........	1,995	378	18.9
1925..........	3,049	608	19.9
1927..........	2,300	154	6.7
1929..........	2,957	811	27.4
Totals......	13,152	2,476	18.8

It seems almost incredible that 811 ballots out of a total of 2,957 ballots cast in the last election, after the system has been in use for twelve years, should be invalid or blank. This may be explained in part by the transient character of the population, Boulder being a university town and health resort. If the cause is unfamiliarity with the use of numbers instead of cross marks, this could be easily remedied by printing on each official ballot at the top a sample ballot marked with numbers. The more plausible explanation, however, is that most of these ballots were blank, many persons voting upon referendum propositions and not being interested in the municipal election. In 1923, 1925, and 1929, referendum proposals aroused a great deal of interest.

HAMILTON, OHIO

Hamilton, Ohio, a city of approximately 50,000 population, twenty-five miles northwest of Cincinnati, following the lead of Cincinnati, adopted a city-manager, proportional-representation charter in 1926. The first election was held in 1927. The Charter Commission, which had drafted the new charter and waged the campaign for its adoption, followed the Cincinnati example and entered the field with a slate of seven outstanding candidates consisting of business and professional men who had hitherto taken no part in politics. This commission did not form a ward and precinct organization, but did secure publicity for its candidates. Four were elected. Two of the other three positions were filled by candidates of a Public Ownership League, formed to fight the sale of the city's gas and electric plants. The other place went to a candidate of the Democratic organization, led by a former mayor and supported by one faction of the Republican organization.

The council selected one of the charter members, Raymond H. Burke, a leading business man and former university professor, to be mayor. Russell P. Price, assistant city manager of Daytona Beach, Florida, was selected as manager. During the first two years, from 1928 to 1930, the administration made a remarkable showing. The public utilities of the city, formerly involving an annual deficit, were put upon a paying basis, service improved, and rates lowered. Substantial increases of plant were made, which are rapidly being paid for out of the earnings. All talk of the sale of the city's utilities has stopped, and many persons formerly opposed to municipal ownership have since been converted under the new administration.

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[1] The statistics up until 1925 were taken from an article by Professor Rodney L. Mott, "Invalid Ballots under the Hare System of Proportional Representation," *American Political Science Review*, Nov., 1926. The statistics for 1927 and 1929 were supplied by the Proportional Representation League.

In 1929, upon petition, a charter amendment to abolish P. R. was submitted to popular vote. The amendment carried only a single precinct out of 77 in the city, and was voted down by 8,611 against to 3,157 for. In the second P. R. election the Charter Commission put up a ticket of seven candidates for council, three of whom were members of the outgoing council, and elected five. Prominent business and professional men were drafted to run. The prestige of the administration was so great that the Republican organization failed to put a slate in the field, giving support to the Charter ticket. One faction of the Democratic organization, led by Former Mayor Koehler, ran a ticket of seven candidates, but failed to elect a single one. Two members of the first P. R. council ran without organization support, and were elected.

The two newspapers of Hamilton supported the Charter ticket and opposed the amendment to abolish P. R. The attack upon P. R. was principally based upon the selection of a city manager from out of town. The Koehler organization, though professing adherence to the city manager plan, adopted the platform of "Home Rule—Hamiltonians Should Govern Hamilton." The strength of the charter ticket, the large vote to retain P. R., and the undivided support of the better elements of the city, including both of the local newspapers, afford ample evidence that P. R. has been a success so far in Hamilton. The history in this city is a striking parallel to that in Cincinnati, with the important exception that the Charter Commission has not attempted to form a ward and precinct organization or to put on a campaign, except through the newspapers. No house-to-house canvassing is done. In the last election the campaign consisted of a few high-class advertisements prepared by a local advertising man who volunteered his services.

It is significant that although Hamilton is an industrial city, there is no strictly labor representative on the council. The Charter Commission did not include a labor representative on its slate. Yet, despite this fact, labor is well pleased with the present government and considers that it is getting a square deal. In a recent labor dispute, the city manager was appointed as arbiter. His decision was satisfactory to both sides, and the campaign against him in the last election failed to strike home with organized labor.

KALAMAZOO

Kalamazoo adopted a city manager charter, with a council of seven elected by proportional representation, in February, 1918. Two months later the first election was held under the new charter.[1] The most significant feature of the election was the presence in the field of a socialist ticket, headed by Truxton Talbot, editor of a small weekly socialist paper called *The People.* At first little attention was paid to this ticket, which contained a prominent manufacturer, a reputable physician, a cut-rate clothing man and others, but about two weeks before the close of the campaign, some of the "best citizens," politicians who wanted to discredit P. R., and other candidates formed a municipal voters' league to fight the Talbot ticket. This group attempted to pick a slate of seven candidates which it would endorse, but, unable to do so, advised the voters to cast their ballots for any of the other sixteen candidates who were not on the Talbot ticket. Talbot, who had originally opposed the entrance of the United States into the World War, and whose radical expressions from time to time shocked the conservative members of the community, was played up as a dangerous radical. It was threatened that if he were elected steps would be taken immediately to overthrow proportional representation. Not only was Talbot personally opposed, but his entire ticket was also denounced. Large advertisements were inserted in the newspapers carrying excerpts from *The People*, reflecting upon the church, Y. M. C. A., and the army, to inflame hatred against Talbot and his ticket. One newspaper refused to print Talbot's answer as an advertisement.

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[1] See A. R. Hatton, "Kalamazoo Tries Proportional Representation," NATIONAL MUNICIPAL REVIEW, July, 1918.

All of this provided a great deal of free advertising for Talbot and his ticket. He in turn conducted a shrewd campaign by means of posters and hand bills, with a sworn statement of the refusal of the local paper to run his reply. Naturally this aroused a great deal of sympathy, particularly from the laboring group.

Three persons on the Talbot ticket were elected, including Talbot himself, along with three of the city's most prominent business men and a prominent attorney. One of the candidates elected on the Talbot ticket was a prominent manufacturer, and the other was a reputable physician. Both were generally regarded as socialists. Only one member of the former council was elected, though six had run for office.

Many of the conservative citizens of the city were horrified to find Talbot in the council, but aside from this, the general opinion prevailed that the council was far superior to any previous council. Though the socialists at this time were strong in Kalamazoo, many citizens had not become tolerant enough to look with favor upon a representative of the radicals in council.

Despite the publicity and heat of such a campaign, the vote was very light. Only 4,461 votes were cast out of a registration of approximately 9,000. The objectors to P. R. made it appear that the ballot was difficult to vote, and may have scared many voters away from the polls, though as a matter of fact, only 157 ballots cast were blank or invalid. The count was expeditiously carried out, and the results were announced the following morning.

Talbot as a councilman did not fulfill the dire prophecies which had been made about him during the campaign. Not only did he work harmoniously with other members of the council, but he also gave a generous share of his time to the duties of the office, and his paper became an interpreter of the policies of the government to its readers. A year and a half later when the second P. R. election was held, neither he nor any of the candidates upon his ticket at the first election were included in the socialist ticket which was put into the field. The ultra-radicals were disgusted with him.

The second election turned largely upon municipal ownership. The council had set up a small coal yard, which sold coal in small quantities at cost. This aroused the coal dealers. An investigation was made of the feasibility of supplanting private distribution of milk by a municipal system. The city had long owned a municipal lighting plant, for public lighting only. It was proposed to issue bonds to the amount of $1,260,000 to enlarge the electric light plant so that the city could sell current to private users.

Those who were opposed to these various activities and proposals joined together, centering their attack upon the proposed extension of the lighting plant, but denouncing P. R. and radicalism in city government. This group, which formed a voters' league, placed a slate of seven candidates in the field. Six of the seven members of council ran for reëlection. Four were reëlected, the conservatives and the radical or liberal group each losing one member. Talbot was reëlected. The voters' league, though it was able to defeat the passage of the bond issue for the municipal lighting plant, was able to elect only one member to council. Two independents, one a popular soldier who had distinguished himself overseas, and the other a man who had waged a vigorous campaign, were also elected.

The vote again was light, only 5,997 votes being cast, despite the fact that women had been enfranchised, and the number of persons in the city eligible to vote was estimated at 20,000. One of the local papers which had been friendly to P. R. stated editorially that it was a failure, on account of the low vote cast.[1]

Shortly afterwards P. R. was held unconstitutional by the Supreme Court of Michigan in a technical decision, and Kalamazoo then turned to the election of its council at large. Several of its members were reëlected under the at-large system, but Truxton Talbot was defeated.

SACRAMENTO

Sacramento held one P. R. election of the nine members of the city council in 1921, at the start of a new city manager charter. Before the second election took place in 1923, P. R. had been held unconstitutional. The council elected contained several successful business men, a woman who was the head of a wholesale grocery business, a former president of the State Federation of Labor, two young attorneys, a former fire chief, and a bookkeeper. The board of freeholders, which had drafted the new charter, put a ticket of nine candidates in the field. One withdrew before the election, and four of the remaining eight were elected. The election was summed up by Professor Cottrell as follows:

> Sacramento held a most successful proportional representation election on May 3rd, on the introduction of its new charter. "Highly successful" is no exaggeration, for it is the almost unanimous opinion of all who watched the election that in character of representation on the new council, the machinery of casting and counting the ballots, the attitude of the people and the press, and the qualifications of the mayor and the city manager selected by the council, proportional representation was given a fair trial and succeeded in all that its proponents claimed for it.[2]

WEST HARTFORD

West Hartford, Connecticut, used proportional representation in the election of its town council in 1921 and 1922. It was not included in the new charter drawn up by a charter commission in 1921, but the commission retained the power to formulate rules and regulations for the first election, and prescribed P. R. Later the system was adopted by ordinance of the town council, but in 1923 the state legislature enacted legislation prohibiting any municipality from using proportional representation.[3]

CANADIAN CITIES

Proportional representation has been adopted by practically all of the cities in the western provinces of Canada:

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[1] See A. R. Hatton, "The Second Proportional Representation Election in Kalamazoo," NATIONAL MUNICIPAL REVIEW, Feb., 1920.

[2] E. A. Cottrell, "Proportional Representation in Sacramento," NATIONAL MUNICIPAL REVIEW, X, 411–413.

[3] See Christopher M. Gallup, "The First P. R. Election in New England," NATIONAL MUNICIPAL REVIEW, July, 1921; and Hoag and Hallett. *op. cit.*, p. 207.

Manitoba, Saskatchewan, Alberta, and British Columbia. The province of Alberta passed enabling legislation permitting cities to adopt P. R. in 1916; British Columbia followed in 1917, and Saskatchewan and Manitoba in 1920. In all, seventeen cities in these provinces have tried out P. R., and four still retain it. Twelve cities have abandoned the system, while South Vancouver used it from 1923 until its amalgamation with Vancouver in 1929.

CALGARY, ALBERTA

No attempt will be made here to recount in detail the experience of these Canadian cities, though the writer has visited several of the larger ones. It is generally believed by proportionalists that the adoption of P. R. in these cities was not followed up by a sufficient campaign of education. The first city in Canada to adopt P. R. was Calgary, Alberta, in 1916, a year after Ashtabula adopted the system in the United States. Calgary is situated at the edge of the Canadian Rockies, and constitutes the gateway to the Canadian national parks. In many respects it is similar to Denver, though smaller. Calgary had a population of slightly over 60,000 in 1921.

The experience in Calgary affords a striking similarity to that of Cincinnati. The leading business men of the city formed an organization to draft capable candidates for the city council, and through this have dominated practically every election since the adoption of P. R. At one time the organization was charged with being ultra-conservative and purely a business man's organization, and was opposed by one of the local papers. It later underwent a reorganization, opening up its membership to the public at large, and adopted the name Civic Government Association. While prominent members of the chamber of commerce are active in the organization, great care is taken to prevent it from becoming too closely affiliated with any particular economic class or business group in the city. At the same time, it is frankly a conservative organization, and regularly drafts leading business and professional citizens and elects them to the council.

It is opposed, not by a political machine, as is the case in Cincinnati, but by organized labor, which regularly puts into the field a slate of candidates. In the election of six councilmen every year (for a two-year term), the Civic Government Association (C. G. A.) usually elects four and Labor the remaining two. Both organizations draft their strongest candidates, and the result has been a city council of unusual ability. The affairs of the city are well managed, and the council is praised on all sides. There is more rotation of membership in the ranks of the C. G. A. than Labor, for the business or professional men are usually unwilling to serve more than one or two terms. Labor, on the other hand, finds it difficult to secure candidates who are well enough known throughout the city to run well, and consequently keeps its candidates for a longer period. Labor is forced to nurse its prospective candidates along for a number of years in order to give them enough publicity to be elected.

It might be supposed that this division would lead to constant wrangling and bickering, for the real leaders of both factions are to be found in council. Such is not at all the case. Labor and C. G. A. members of council work together harmoniously, in spite of disagreement upon certain public questions, such as municipal ownership. The writer was much impressed by the courteous relations which prevail, judging by the comments of leaders of each group.

A considerable element of the success and satisfaction with the system may be attributed to the efficiency and rapidity with which the count is conducted under the direction of City Clerk J. M. Miller. The returns are always complete by the following morning. There is no dissatisfaction and, indeed, little comment about the system now. It is taken for granted. It is still necessary, however, for the system to be explained to the voters, which is regularly done by the city clerk prior to municipal elections at various public meetings. There is some objection to the system because of its complexity, but this is overweighted by the support of it both by C. G. A. and by organized labor, and by the feeling that it is accurate and fair.[1]

WINNIPEG

The city of Winnipeg has used P. R. in its municipal elections since 1920. In 1919 Winnipeg had a general strike, following which there was a deadlock in council between labor and their opponents, organized as a citizens' association. P. R. was adopted as the way out of the difficulty, and as a means of guaranteeing to each group fair representation in council according to its strength. The city was divided into three districts, with three members elected by P. R. from each district. In every election since that time, with one or two exceptions, each group has secured at least one representative from each of the three wards of the city, and the general feeling prevails that the system is absolutely fair. It has not, however, made any noticeable change in the personnel of the council. The membership before was not and is not now particularly good or particularly bad. It remains mediocre.

There seems to be general satisfaction with P. R. in Winnipeg, both for the municipal election and for the election of members to the provincial legislature. In the latter case, since there are four parties in the province, an equitable division of the seats according to the strength of the parties would be impossible under any other system. It is generally believed that P. R. is essentially fair, both as between the labor and conservative groups in municipal affairs, and between the four parties in provincial elections. There is, however, some dissatisfaction with it. One of the members of council introduced a resolution to submit the matter to popular vote in 1929, but the resolution was not passed. Several influential members of the chamber of commerce have opposed the system, and there is some dissatisfaction within the ranks of labor.

Most of the other fifteen cities in western Canada which have tried out P. R. are very small in population. Three have a population exceeding 50,000: Edmonton, Regina, Vancouver. Twelve of these fifteen cities, including the three named above, have abandoned P. R. While the circumstances bringing about the repeal varied somewhat in the different cities, in general, it may be said that there was opposition to P. R. because of its complexity, delay in the count, failure on the part of the citizens to understand the system, and perhaps most important of all, because it was felt that the system did not make any marked difference in the personnel of the council. In several cities opposition sprang up because certain minority groups secured representation in the council. Some proportionalists have laid the blame for the repeal in certain cases upon politicians, who found the system unsuited to their needs. Such a simple explanation is hardly tenable. In the first place, the willingness of Canadian cities to try out P. R., and its widespread adoption in the four western provinces by practically every city of any size, indicates the absence of machine politics. Garfield A. King, formerly secretary of the P. R. Society of Vancouver, wrote in 1918:

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[1] In 1924 the Alberta legislature adopted P. R. for the election of the five members each from Calgary and Edmonton. It has been used so far in one election.

> We have, as a rule, no politics in municipal life here and the boss is unknown.[1]

It should be noted that proportional representation was adopted in the Canadian cities without the city manager plan, except in the case of St. James, Manitoba, and Lethbridge, Alberta. In the United States it has been invariably adopted with the manager plan, and in many cities has been looked upon by the public as a part of the manager plan. The following is a list of the Canadian cities which have used P. R., with the popular vote.[2]

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[1] "First P. R. Election in British Columbia," *Proportional Representation Review*, April, 1918.

[2] Supplied to the writer by the Proportional Representation League.

City	Population (1921)	Date of Election	For	Against
PROVINCE OF ALBERTA				
Calgary (still in use)	63,305	1916	2,840	1,374
Edmonton (abandoned)	58,821	1922	5,664	3,075
		1928	5,473	6,695
Lethbridge (abandoned)	13,357	1928[1]		
		1929	230	904
PROVINCE OF BRITISH COLUMBIA				
Vancouver (abandoned)	117,217	1920	6,044	2,790
		1923	1,705	3,809
Victoria (abandoned)	38,727	1920	1,296	608
		1921	1,143	2,324
South Vancouver (discontinued)	36,000 (est.)	1918	1,095	390
		1929	(annexed by Vancouver)	
West Vancouver (still in use)	8,000 (est.)	1917	(adopted by ordinance)	
New Westminster (abandoned)	14,495	1917	(adopted by ordinance)	
		1919	(repealed by ordinance)	
Nelson (abandoned)	5,230	1917	(adopted by ordinance)	
		1919	(repealed by ordinance)	
Port Coquitlam (abandoned)	2,148	1917	(statistics unavailable)	
		1921	(repealed by ordinance)	
Mission City (abandoned)	1,036	1917	(adopted by ordinance)	
		1921	(repealed by ordinance)	
PROVINCE OF SASKATCHEWAN				
Regina (abandoned)	34,432	1920	1,414	824
		1923	2,135	1,954
		1926	781	1,230
Moose Jaw (abandoned)	19,285	1920	2,287	678
		1925	839	1,552
Saskatoon (abandoned)	25,739	1920	1,039	651
		1923	2,003	1,965
		1926	1,202	3,014
North Battleford (abandoned)	4,108	1920	315	62
		1924	218	324
PROVINCE OF MANITOBA				
Winnipeg (still in use)	179,087	1920	(adopted by ordinance)	
St. James (still in use)		1923	1,161	511

[1] Adopted by act of provincial legislature, after a plebiscite favoring a city-manager, P. R. charter.

III

PAST EXPERIENCE ANALYZED

We come now to a general analysis of the practical workings of P. R., based upon the experience in these cities, and with particular reference to the claims which are made for it and the charges which are brought against it. The writer does not propose merely to list the arguments pro and con and discuss them, but rather to analyze various phases of the practical operation, some of which are closely related to these arguments.

EFFECTIVENESS OF VOTES

One of the principal arguments for P. R. is statistical—that under it about 80 per cent of the votes cast are effective, that is, help to elect candidates, while under the ward and at-large systems ordinarily only from 50 to 60 per cent of the votes are cast for winning candidates, and approximately 40 per cent are wasted on losing candidates. To be sure, in computing the per cent of effective ballots under P. R., all ballots which help elect some candidate are counted as effective, regardless of whether it is the first or some other choice.[1] Any examination of the election returns under P. R. will show that uniformly a very high percentage of the ballots are effective in helping to elect a member of the council. This is strikingly indicated in the following table:

City	Year	Per Cent of Valid Votes Effective
Ashtabula....	1915	80
	1917	78
	1919	83
	1921	83
	1923	83
	1925	83
	1927	82
	1929	83
Cleveland....	1923	81
	1925	82
	1927	80
	1929	78
Cincinnati*...	1925	90
	1927	90
	1929	90
Hamilton.....	1927	84
	1929	85

* The higher percentage in Cincinnati than in other cities is due to the practice of transferring the ballots of the runner up after he has been eliminated, which is provided by charter.

If account is taken only of first-choice votes the percentage is considerably lower. The following table covers the 1929 election in four Ohio cities:

City	Voters Who Saw First Choices Elected (Per Cent)	Voters Whose Ballots Were Used to Elect First Choices (Per Cent)
Cleveland:		
First District ...	50.5	46.6
Second District..	40.4	40.4
Third District...	75.5	67.4
Fourth District..	59.1	59.0
Entire City.....	55.7	53.0
Cincinnati........	56.8	50.8
Hamilton.........	71.6	59.4
Ashtabula........	61.0	61.0

It is of interest to make some comparisons with cities using the block or at-large system. The following table shows the experience in Detroit and Dayton since these cities adopted a small council, elected at large. It should be noted, however, that the comparisons are not on exactly the same basis. The statistics for Detroit and Dayton show the total vote polled by winning candidates out of the total vote cast, but this does not indicate how many voters cast their ballot for at least one winning candidate. It merely shows the percentage of effective votes. Both cities use a nonpartisan primary, which limits the number of candidates in the final election to twice the number of positions to be filled.

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[1] Statistics showing the per cent of the effective votes under P. R. which are first choices, second choices, and so on, are unavailable. The common impression that many late choices are used is no doubt erroneous. In the 1919 Ashtabula election, when 83 per cent of the valid votes were effective, 86 per cent of the voters saw their first or second choice elected, and 91 per cent saw one of their first three choices elected.

Year	Vote	Total Vote of Winning Candidates	Per Cent of Votes Effective
DETROIT			
1918	632,791	360,531	57
1921	801,256	497,171	62
1923	702,036	419,630	60
1925	1,750,364	1,101,528	63
1927	1,456,807	917,550	63
1929	1,677,459	1,081,374	65
Totals	7,220,713	4,377,784	60.5
DAYTON			
1913	90,035	58,835	66
1915	46,511	26,426	57
1917	88,250	50,422	57
1919	50,834	29,548	58
1921	109,346	60,305	55
1923	70,290	51,217	73
1925	79,101	50,429	64
1927	52,573	31,683	60
1929	64,168	48,638	76
Totals	651,108	407,504	62.5

The statistics of the last aldermanic election in Milwaukee (1928) may be taken to illustrate the ward system, with a nonpartisan primary and an election following between the two highest candidates in each ward.

The aldermanic election in Milwaukee in 1928 was more hotly contested than usual, resulting in twelve new members being elected to council. It is quite probable that statistics for other years would show the winning candidates received approximately 60 per cent of the vote cast. A tabulation of the vote cast for aldermen in New York over a period of twelve elections, from 1899 to 1921, inclusive, showed an average of only 54 per cent of the vote was cast for the winning candidate, 46 per cent being wasted upon losing candidates.[1] Statistics of this kind could be piled up indefinitely. In some of the Ohio cities which have had preferential voting or straight plurality voting without a preliminary primary, the per cent of votes received by the winning candidates has at times been considerably less than 50 per cent.

A careful analysis of these statistics will show that there is a marked similarity between the per cent of effective votes under the ward and at-large systems with the per cent of voters under P. R. who saw their first-choice candidate elected. The superiority of P. R.

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[1] *Proportional Representation Review*, Oct., 1922.

Milwaukee, Councilmanic Election, 1928

Ward	Total Vote	Vote Received by Winning Candidate	Vote Received by Losing Candidate	Per Cent Effective
1	5,128	2,899	2,299	57
2	2,273	1,308	965	58
3	1,837	1,478	359	81
4	4,018	2,116	1,902	53
5	3,180	1,964	1,216	62
6	3,075	1,558	1,517	51
7	2,925	1,910	1,015	65
8	3,829	1,963	1,866	51
9	2,831	1,417	1,414	50
10	1,549	1,037	512	67
11	3,708	1,893	1,815	51
12	3,178	1,795	1,383	58
13	4,465	2,456	2,009	55
14	5,765	3,345	2,420	58
15	4,107	2,347	1,760	57
16	4,827	2,619	2,208	54
17	5,741	3,576	2,165	62
18	5,667	2,913	2,754	51
19	5,587	3,286	2,301	59
20	8,239	4,693	3,546	57
21	5,635	2,878	2,757	51
22	7,066	4,101	2,965	58
23	6,108	3,135	2,973	51
24	4,456	2,265	2,191	51
25	5,405	2,940	2,465	54
Totals	110,579	62,862	47,717	57

is due to the multiplicity of choices and the alternative vote. The principal claim of the proportionalists, that the system will result in a maximum percentage of votes being used to help elect some candidate, with a minimum wastage of votes, is amply borne out by every P. R. election. The superiority of P. R. over other types of election on this point may be conservatively estimated at 20 per cent of the total vote cast. Or to put the matter another way, under P. R. four voters out of five have their ballots counted for one of the candidates for whom they have expressed a choice, while under the ward system, with a preliminary primary, only three voters out of five see their vote help to elect a candidate. Under the block system only three out of every five votes are effective in helping to elect a candidate, but, since each voter casts his ballot for a number of candidates, in all probability a much larger proportion of the voters vote for one or more of the winning candidates.

After all, however, is this consideration of much importance? Is the voter who casts his ballot for a defeated candidate unrepresented in council? Is a vote cast for a losing candidate wasted?

The high per cent of effective votes under P. R. means that the election cannot be manipulated by a political organization; that the persons elected to office are representative in the sense that their election was desired by the voters; that majority rule is assured and every substantial minority is represented. The high percentage of ineffective ballots under the ward and at large system may mean that the council is not truly representative. A party organization (if the election is conducted on party lines) or some other group of voters may be underrepresented or not represented at all.

Nevertheless, the ordinary implication that a high percentage of wasted ballots means that a large group of like-minded voters are necessarily unrepresented in council is a pure fiction. True, the use of a multiplicity of choices with the transferable vote inevitably results in a much higher percentage of votes being used to help elect a candidate, and for that reason the Hare system of proportional representation is definitely superior to the ward or block system of elections. But it must not be forgotten that the successive choices decrease in importance.

DOES P. R. SECURE A MORE REPRESENTATIVE COUNCIL?

Proportional representation is advocated because it will secure a truly representative council, one which is a "true sample" or "small map" of the entire population. The word "representative" is an all-inclusive term. Practically any council can be said to be "representative." If an Italian is elected to council, this is pointed out as proof that it is representative, but if the Italians vote for an Irishman, then it only means that they preferred to have a representative who was not a member of their race. The election of Negro members to the council in Cleveland is cited as proof that P. R. secures a representative council, but, on the other hand, the failure of the Negro voters of Cincinnati to elect a member to council only proves that they do not vote along racial lines. The election of Democrats and Republicans to council in Cleveland and Cincinnati in proportion to the strength of these parties is proof that the council is representative, but, on the other hand, Hamilton, a normally Democratic city, failed to elect a single Democrat to council in 1927, but this does not prevent the council from being representative.

It matters not who is elected to the council, the proportionalists can always point out how perfectly representative the council is. The late E. C. Hopwood, formerly editor of the Cleveland *Plain Dealer*, once said that he had lost patience with some of the proportionalists who would justify even the election of Captain Kidd and Jesse James to the council, on the ground that there was a like-minded group of voters who demanded their election.[1]

There has been a great deal of loose thinking and loose writing upon the subject of representation as applied to a city council. There are proportionalists who look upon P. R. primarily as a means for securing a true sample or small map of the entire citizenship, as a means of democratizing municipal elections, holding that the qualifications and abilities of the members elected are purely secondary and incidental. With this the writer cannot agree. The members of a city council are not, or at least should not be, elected primarily to represent a group or section of the city, but rather to have charge of the public affairs of the city. They should be voted for because of their ability, experience, and integrity, rather than their membership in a particular race, religion, party, group, belief or disbelief in prohibition, or their stand on other particular public questions. This is not merely an ideal state, but is an actual description of what takes place in many municipal elections. The election of capable persons, outstanding citizens, is of far more importance than the election of typical citizens. If a true sample or small map of the population is really desired, some ingenious lottery device would be vastly superior to any system of popular election.

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[1] *Tenth Yearbook* of the City Managers' Association (1924), p. 175.

However, it is desirable to have a council that is—to use that vague term —representative. Many city councils do not contain a single leader in the civic, social, and economic life of the community. They consist of mediocre persons generally labeled "politicians." Other councils may consist entirely of business men, and the city government be controlled by the wealthier groups. This is not representative, nor is it desirable. A city council may contain a representative of every race, every religion, every party, and every geographical section of the city, without being truly representative. Every large section or group of the population should have representatives of their choosing in the council, and the system of election should enable and encourage each group to elect its real leaders. The practical experience of P. R. shows that it does this more effectively than other methods of representation.

DOES IT INCREASE RACIAL AND RELIGIOUS VOTING?

A great deal of the discussion of the practical working of proportional representation has had to do with its effect upon racial and religious voting. The proportionalists claim that it will ameliorate such groupings and lessen voting along these lines by insuring to each group a representative, if it has sufficient strength, while the opponents claim that it tends to divide the community into racial and religious blocs. It is perfectly well known that voting along these lines is practised in every large city in this country, from time to time, whether it has P. R. or not. A careful study of the personnel of the Ashtabula council during the first ten years of P. R. and a comparison with the personnel during the preceding ten years shows that there was little difference in the representation of the foreign groups in the two periods. P. R. has made little difference in the racial composition of the Cleveland council, except to increase the Negro representation. Persons are still elected to the council primarily because they are Italians, Irish, Poles, Hungarians, or what not, but this was the case certainly under the old ward system. Careful studies of the transfer of votes under P. R. in Cleveland and Ashtabula show a large amount of racial voting, but this is inconclusive, because it is known that this practice is not confined to P. R. On the other hand, in Hamilton and Cincinnati, the transfers follow organization lines rather than racial ones. Race seems to have played little part where the voter had some other good basis for voting, such as the support of the Charter Committee or the Republican organization in Cincinnati.

Racial voting has been much more extensive in Cleveland than in Cincinnati because of the higher per cent of foreign population, and also because the large council, consisting of twenty-five members, greatly facilitates the voting of small racial groups as a bloc. A smaller council, as in Cincinnati and Hamilton, obviates a great deal of this. The organization of a Charter Committee, which put a ticket into the field, gave the Cincinnatian something better and more sensible to follow in his choices. There has been no similar organization in Cleveland until the last election, in which, however, many voters exhibited a decided tendency to support all of the members of the P. G. ticket or Republican slate in their district.

In Ashtabula the Catholics were unable to elect a single representative to the council in the ten years prior to the adoption of P. R., but have elected uniformly one member to council since, despite the fact that the religious issue was prominent in two elections. Studies of the transfer of votes in the Cleveland elections show that religion has played a large part, for when the votes of a Protestant candidate are transferred, they go in largest numbers to other Protestant candidates, and the same is true of Catholic candidates. Similar studies in Cincinnati prove just the opposite. Voting along religious lines in Cleveland is not new, nor confined to municipal elections. Cincinnati is fortunate in that the various religious groups are unusually tolerant, and there is little antagonistic feeling present.

Proportional representation permits and perhaps facilitates voting along racial and religious lines, but there is no proof that it has actually increased such voting. If the voters will vote along racial lines, P. R. permits them to choose their own leaders. It affords voters of all races and religions better grounds to vote upon. The use of a large council, such as in Cleveland, is a distinct encouragement to such voting. Competent observers in Cleveland have stated to the writer that race and religion have little to do with the action of the members of council after they are elected, and that racial and religious alignments are forgotten. Perhaps the voters will learn eventually to forget them during the election.

DOES IT ELECT RADICALS?

It is claimed for P. R. that it will secure representation of various minority groups in council, and it is urged against it that it will elect faddists and extremists. A socialist was elected to the first three P. R. councils in Ashtabula, but not since. The socialists in Ashtabula, as well as elsewhere, have greatly declined in strength. At the first P. R. election in Kalamazoo, three socialists, headed by Truxton Talbot, were elected to the council, but two of these persons were reputable business men, and were not looked upon as dangerous radicals. Generally speaking, the middle-of-the-road candidate rather than the extremist is elected under P. R. It is rather a disappointment not to find at least one out-and-out radical in the council of some of the cities with P. R., but they are not to be found.[1] The communists and ultra-radicals fare badly at the polls under P. R. as well as under other systems in this country. Peter Witt, popular radical and leader of one wing of the Democratic party in Cleveland, is the only person generally regarded as a radical who has been elected to the city council of either Cleveland or Cincinnati, though a number of liberals have been elected.

In several Canadian cities, organized labor has used P. R. as a means of securing representation in council. Much of the opposition to P. R. in several cities was due to this fact, but in Calgary and Winnipeg the labor and conservative members work together quite harmoniously. In this country organized labor has made little use of P. R. A labor official was elected to the council in 1925 in Cincinnati, and also a labor representative was elected to the Sacramento P. R. council, but these are exceptions to the rule. Labor seems not to have been politically minded, and has been content to support politicians as of yore, or to vote for outstanding business men who have a reputation of dealing fairly with labor.

ARE BETTER COUNCILMEN ELECTED?

It is claimed that proportional representation will improve the quality of the council, since it will make it easy for outstanding citizens, who might have difficulty in being elected under the ward or block system, to be elected. On the other hand, it is urged against proportional representation that it makes no difference in the type of persons elected to the council. How are we to measure the "ability" of members of the council? Is this not, like "representative," a vague term, quite dependent upon the outlook of the observer? There are, however, in Ashtabula, Cleveland, Cincinnati, Calgary, and other P. R. cities some very definite judgments held by well-informed people. According to the study of Moley and Bloomfield the quality of the Ashtabula council was measurably improved after the adoption of P. R., but the difference was not great. The first two councils in Cleveland contained four independents who were valuable members, though they constituted a distinct minority. The third council was a disappointment. Two of its members (both of whom were elected to council previously under the ward plan) are now serving terms in the state penitentiary,[1] while others are implicated in land graft. The present council of Cleveland, however, is a decided improvement, and would compare favorably with the city council of any other large city in the country, even of Cincinnati. P. R. seems to be coming into its own in Cleveland, in part because of the reaction from the city hall scandals, and in part because of the formation of a Progressive Government Committee to draft capable candidates and to wage a campaign for them.

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[1] Dr. Mark Millikin, member of the Hamilton council, is an outspoken liberal and a single taxer.

The city councils elected under P. R. in Cincinnati have been uniformly of high caliber, and have supplied the city with wise and courageous leadership. It was feared by many that when the original bloom of civic virtue had faded the Charter Committee would go the way of all reform organizations. It has weathered the storm successfully so far, and a crucial test was afforded in the 1929 election when four of its councilmen declined to run again. The experience in Hamilton has been similar to that in Cincinnati. Kalamazoo and Sacramento elected eminently satisfactory councils in their brief experience with P. R., but it may be suspected that this should be attributed largely to the newness of the charter and the zeal of a new civic movement. Boulder, Colorado, has elected satisfactory councils under P. R., but the councils prior to the adoption of the system were also satisfactory. There has probably been some improvement, but it has not been marked.

Calgary has found P. R. a means of electing to its council the industrial, business, professional and labor leaders of the community. All factions are highly pleased, and attribute the high quality of the council to P. R. In Winnipeg, on the other hand, it has made little difference in the personnel of the council. Other Canadian cities have abandoned P. R. partly because they could see no difference in the council, and thought the system was not worth the trouble.

In the cities where P. R. has been an outstanding success—Cincinnati, Hamilton, and Calgary—there exists a non-partisan organization dedicated to the task of drafting capable candidates to stand for election, and securing their election. Under P. R. such an organization is assured of representation in council according to its strength; it does not have to go into each ward and select a candidate agreeable to the dominant political group of that particular ward; it does not have to dicker with the party organizations, though it may fuse with them; it does not have to

[1] One case is still being appealed.

wage its battle in the partisan primary of any party; it may pick outstanding citizens to run for council and give them some assurance that they will be elected. Even a perfect election system cannot elect capable men to the council, unless capable men stand for election. P. R. prevents the politician from controlling the nominations for public office, and opens up the way, through a nonpartisan organization of citizens, for the outstanding citizen to be brought into the race.

HOW DOES P. R. AFFECT POLITICAL PARTIES?

Political parties have practically disappeared in municipal politics in Ashtabula, Hamilton, Boulder, and Calgary, but still retain some hold of municipal government in Cleveland and Cincinnati. The Republican political organization in Cleveland remained in control of the city government during the first six years of P. R. with a very comfortable majority, and in addition carried on a working agreement with the Democratic organization. At present its control over the council is considerably jarred, though it still nominally has a majority. The Republican machine of Cincinnati, formerly completely dominating the council and the city government, has been able to elect only three members to the council of nine since the adoption of P. R. While the organization still functions in city elections, calling upon the faithful to stand by good old Republicanism and "Party Responsibility" in order to save the party in the state and the nation, it has not been able to increase its membership in council. A few more lean years will probably disrupt the organization, which, except for the patronage of the county offices, might have disappeared already.

HOW DOES P. R. AFFECT THE NUMBER OF VOTES CAST?

Another point which is often raised in connection with proportional representation is the effect which it will have upon the interest of the citizen in his government, or more specifically, upon the number of votes cast in municipal elections. The proportionalists claim that since 80 per cent of the voters will see their ballots used to help elect a candidate of their choosing, and many of them see several candidates of their choosing elected, P. R. will stimulate voting. On the other hand, the opponents of P. R. in Cleveland have raised a hue and cry against it on the ground that it has decreased interest in municipal government and lowered the vote. The best evidence on this point is the election statistics of several cities which have used P. R. for the longest period of time. The statistics for Cleveland since 1915 are as follows:

Year	*Vote Cast*
1915	112,970
1916	109,421
1917	116,161
1918	93,425
1919	112,571
1920	184,301
1921	154,123
1922	122,397
1923 *	114,613
1924	197,076
1925 *	108,167
1926	106,836
1927 *	163,901
1928	255,215
1929 *	130,101

The municipal elections are in the odd-numbered years, and those conducted by P. R. are starred. It will be noticed that there has been a decline in the popular vote in municipal elections since the adoption of P. R. The vote fell from 154,123 in 1921 (the last election under the ward system) to

114,613 in 1923, and 108,167 in 1925. However, the vote in the state and county election in 1926, at which a United States senator was elected, was even lower—106,836. In the last two P. R. elections the vote has markedly increased. The story is not complete without an account of the vote cast in the direct primary elections before the state and county elections, which, of course, are far more important than the general election following. In 1926 the total vote cast in the primary of both parties was only 43,988, and in 1928 it was only 83,843. These statistics should put at rest the charges against P. R. on the score of decreasing the vote in Cleveland.

The following statistics for Cincinnati, covering municipal elections since the enfranchisement of women, shows that P. R. has not decreased the total vote cast:

1921	136,380
1923	115,826
1925 *	124,091
1927 *	131,416
1929 *	138,763

The careful study made of P. R. in Ashtabula by Moley and Bloomfield revealed, as has been pointed out, that voting declined to the extent of 12 per cent over the preceding ten years in municipal elections, but a similar decline was experienced in state elections as well. Certain P. R. elections in Boulder and the two elections in Kalamazoo were particularly marked by the low vote cast, but these could be matched by almost any city having the city manager form of government, and a small council elected at large. The absence of old-fashioned, mud-slinging ward contests, as well as the dramatic mayoralty fight, tends to reduce the number of votes cast. Corruption in government, party machines, charges and counter charges, all are sure to build up a large vote. A good administration and general satisfaction are not conducive to heavy voting. On the whole, P. R. makes little if any difference in the number of votes cast.

INVALID BALLOTS

It is sometimes stated that the voter will be unable to mark his ballot correctly under P. R., and that the number of spoiled or invalid ballots will be great. Only in one city, Boulder, Colorado, has the number of invalid and blank ballots been sufficient to arouse any serious objection to the system. The statistics for Boulder have already been given, and may be accounted for by unusual conditions in that city. The typical experience is indicated in the table on page 377.

These statistics indicate that invalid ballots are not a major problem under P. R., and that the number tends to decline after the system has been used for a number of years, though it frequently mounts at the second or third election. Professor Mott's analysis of the causes of the invalidity of the ballots in the first P. R. election in Cincinnati shows that more than half are due to the use of several "X's" instead of numbers.[1]

DOES THE TRANSFER OF VOTES CHANGE THE RESULTS ?

It is sometimes pointed out that the candidates who receive the highest first-choice vote under P. R. are almost uniformly the ones who are elected after the elaborate count and the transferral of many ballots. In Calgary, for example, in the five elections from 1924 to 1928, inclusive, the six or seven highest candidates (depending upon the number to be elected) on first choices were in every case elected when the P. R. count was finished. It is said that practi-

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[1] Rodney L. Mott, "Invalid Ballots under the Hare System of Proportional Representation," *American Political Science Review*, Nov., 1926.

City	Election	Total Ballots	Invalid Ballots	Per Cent Invalid
Ashtabula	1915	3,334	362	10.8
	1917	3,438	262	7.6
	1919	3,294	445	13.5
	1921	5,154	156	3.0
	1923	5,196	178	3.4
	1925	4,781	237	5.0
	1927	6,215	328	5.3
	1929	6,107	227	3.7
Calgary	1917	5,367	178	3.1
	1918	7,069	643	9.1
	1919	7,401	575	7.8
	1920	8,461	541	6.4
	1921	9,505	409	4.3
	1922	13,483	476	3.5
	1923	11,093	271	2.4
	1925	10,445	237	2.8
	1926	10,897	217	2.0
Cleveland	1923	114,613	8,767	7.7
	1925	108,167	8,518	7.9
	1927	163,901	17,088	10.4
	1929	130,101	6,648	5.1
Cincinnati	1925	124,091	4,361	3.5
	1927	131,416	7,129	5.4
	1929	145,464	6,701	4.6

cally identical results would be secured under a system of limited voting, with every voter being permitted to vote for one candidate only, and the candidates with the highest votes elected. This questions the necessity or wisdom of the elaborate count under P. R., the expression of numerous choices by the voter, and the transferable vote, though it is not an argument for the ward or block systems.

The experience of various cities using P. R. upon this point is significant. Of the even one hundred members elected to council in Cleveland under P. R., eight were not among the highest on first choices, and were elected by transfers. In some cases better candidates were elected, as, for example, in the 1929 election when Furth was elected over Kohen, but in other cases poorer candidates were elected, or there was little difference. In Ashtabula during the first eight elections, involving 56 councilmanic positions, there were eight candidates elected who were not among the seven highest on first choices. Arthur Rinto, who stood sixth in first choices in 1915 (seven councilmen to be elected), was defeated, but in 1921 he stood eighth and nosed out the candidate who stood seventh. In 1927 Rinto stood ninth and was elected. In the first P. R. election in Cincinnati (1925), Matthews, a Charter candidate who stood tenth, was elected over Schmidt, a Republican organization candidate who stood ninth on first choices. In 1927 the candidates who stood tenth and eleventh were elected over the candidates who stood eighth and ninth, while in 1929, Hall, a Negro candidate who stood eighth on first choices, failed to pick up strength as the count progressed, and Pollak, a wealthy manufacturer on the Charter ticket and a Jew, who stood twelfth on first choice votes, came to the front and was elected over Daly and Friedman, Republican organization candidates who stood tenth and eleventh. In the first

Popular Vote on Proportional Representation in Cities of the United States

	Year	For	Against
Cities adopting P. R.			
Ashtubula.....	1915	588	400
	1920	2,775	2,336
	1926 *	2,283	1,936
	1929	1,935	2,639
Cleveland......	1923	77,888	58,204
	1925	20,918	20,353
	1927 †	80,148	73,732
	1928	44,122	40,890
	1929	50,138	47,134
Cincinnati.....	1924	92,510	41,105
Hamilton......	1926	5,555	5,377
	1929	8,611	3,157
Boulder.......	1917	691	131
	1923	2,730	1,340
	1925	1,709	1,284
Kalamazoo.....	1918	2,403	659
Sacramento....	1920	7,962	1,587
Cities rejecting P. R.‡			
Canton, O......	1921	3,218	6,841
Minneapolis....	1926	27,973	59,472
West Allis, Wis.	1926	985	3 262
Toledo O......	1928	36,445	52,604
Zanesville, O...	1929	2,175	7,016

* There was another proposal which received a slightly different vote.

† This vote is on the Davis amendment. The other proposals were not seriously considered on account of the contest being centered on the Davis amendment.

‡ Los Angeles voted down a proposal to adopt P. R. in 1922, but the election came shortly after a supreme court decision holding P. R. unconstitutional, and is of no significance. The following cities failed to adopt P. R., but statistics are not available: St. Louis (1916), Flint, Mich. (1919), Coshocton, O. (1919).

P. R. election in Hamilton (1927) the seven highest candidates on first choices were elected. In 1929 the seventh candidate was nosed out on the last count by the candidate who stood eighth. Out of 81 candidates elected in Winnipeg from 1920 to 1928, 75 were among the highest three in their district (three councilmen elected to each district), and 6 candidates who stood fourth were elected.

It is not safe to assume, however, that under a system of limited voting the voters would always vote for the candidate for whom they cast their first choice under P. R. They would feel impelled to measure the chances of success of their first choice, and might vote for another candidate, believing that the favorite did not need their vote or stood no chance of election. While the changes have not been numerous, some of them have been significant, and certainly the transferable vote relieves the voter of guessing about the strength of his favorite candidate. The evidence is not conclusive enough to justify a statement that the transferable vote is unnecessary, but it is proof that certain modifications and simplifications might be made without changing the practical operation.

IS P. R. POPULAR WITH THE VOTERS?

A final consideration is the judgment of the rank and file of citizens upon proportional representation after it has been used. In all, ten referendum votes have been held in this country after trial of P. R., and ten in Canada. Proportional representation has been sustained in every case in this country, except the last vote in Ashtabula, when it was abandoned, but it must be noted that in all but four elections, P. R. and the manager plan were voted on together, and no clear expression of public sentiment could be secured. The vote in Ashtabula and Cleveland was close in all elections, but the vote in Boulder and Hamilton was overwhelmingly in favor of P. R. and the manager plan. P. R. has not fared well at the hands of the Canadian voters after trial. It has been voted out in every city where there was enough sentiment against the system to bring it to a popular vote, though it should be added that Regina and Saskatoon both voted to continue the system in force when the first referendum election was held after trial.[1]

The statistics for the cities in this country, including the vote when P. R. was originally adopted, are given in the table shown on preceding page.

The general impression prevails among well-informed persons in Cleveland that P. R. is very unpopular, and that if a clear-cut vote ever comes on the issue, separate from the city manager plan and free from personalities, it will be voted out. On the other hand, it is popular in Cincinnati, and probably would be sustained by a large vote. The vote on P. R. in Hamilton in 1929, which did not involve the manager plan, shows that P. R. is popular there. In many of the Canadian cities the vote was overwhelmingly against P. R., though in a few cities it was close.

When all of the referendum votes on P. R. have been taken into account, in this country as well as in Canada, it must be admitted that P. R. is not popular with the rank and file of voters. The widespread repeal of P. R. in Canada is significant. Its association with the manager plan in this country has probably saved it several times. The average voter does not understand the system, and resents this fact. In some cities he is told by political organizations that it is complicated, mysterious, un-American, socialistic and undemocratic. The statement by Newton D. Baker of Cleveland, "there are said to be a few people in Cleveland who understand the system, but I must confess that I have not been able to find them," is, no doubt, rhetorical exaggeration, but it is undoubtedly true that few persons actually understand the system. The voter who does not understand it is apt to be suspicious and unfriendly.

IV

GENERAL SUMMARY AND SUGGESTED SIMPLIFICATIONS

Proportional representation is an important electoral reform. While it has not been uniformly a marked success in all of the cities where it has been used, it has done all that its proponents claim for it in Cincinnati, Hamilton, and Calgary. The experience in Cleveland has been, on the whole, quite satisfactory, though one council was a disappointment. The experience in Kalamazoo and Sacramento was too brief to be used as a basis for any conclusions, though the councils elected under P. R. were eminently satisfactory. In other cities, Ashtabula, Boulder, and the several Canadian cities, P. R. has not lived up to the claims made for it. It has been neither a definite success nor a definite failure In many of these cities it has resulted in a slightly improved council, and everywhere the council has been more truly representative of the wishes of the voters.

It is a mistake to assume that proportional representation, or any other electoral device, will of itself revolutionize the political life of a community. Proportional representation facilitates the election of the real leaders of a city to the city council, works with absolute fairness to the various groups in the election, prevents the manipulation of the election, guarantees minority representation as well as majority control, and, most important of all, makes it feasible for nonpartisan citizens interested in securing good government to form a civic organization which will draft capable candidates and secure their election. No method of election can do other than choose from the candidates who stand, and if the candidates are incapable, the councilmen will be unsatisfactory. Where P. R. has been a decided success, a Charter Committee (Cincinnati), Charter Commission (Hamilton), Civic Government Association (Calgary), or Progressive Government Association (Cleveland in the last election) has been formed to make it a success.

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[1] For the statistics on the referendum votes in Canadian cities, see p. 367.

No city of any considerable size can hope to have, except for brief periods, a council consisting of the real leaders of the city, without some organization of this kind. No self-respecting organization, economic or social, holds an election without making use of a nominating committee. Heretofore, the political parties have been the nominating committees, with results satisfactory to the party organizations. Under the ward system of election it is quite out of the question for a civic organization to function effectively in drafting satisfactory candidates for the council. Under the election-at-large method it is ordinarily impracticable, for unless the civic organization can secure a majority of all votes cast from the very start, it will secure no representation in council, and cannot survive. Capable candidates cannot be drafted for public office without a pretty definite assurance that they will stand a good chance to be elected. Under P. R. a nonpartisan citizens' organization is sure of securing some representation, from the very start, and this makes it possible to persuade outstanding persons to run for office.

If proportional representation is to be widely adopted, however, and is to hold the ground which it has already made, it seems imperative to simplify it so as to make it understandable to the average voter. It may be hoped that the voters will not be concerned about the complexity of the system and their inability to understand it, provided they secure satisfactory results, but this has not been the experience. It may be advisable to give up some of the theoretical merits of the system in order to simplify and popularize it. The proportionalists themselves have been willing from time to time to adopt modifications designed to improve the system or to make it more readily understood, as witnessed by the use of a fixed quota in the proposed charters of Toledo, Zanesville, Milwaukee, and Philadelphia.

THE QUOTA

The use of a quota instead of a majority is easily enough understood, but the method used to arrive at the quota is difficult for the average voter to understand and to remember. The Droop quota, which is generally used under the Hare system, is arrived at by a mathematical formula which is difficult to explain. To the man of the street there is something technical and complex about it. This has given so much trouble that several proposed proportional representation charters have adopted a fixed quota, in order that it may be more easily understood. However, P. R. charters with a fixed quota were recently defeated in Toledo and Zanesville. Numerous objections may be raised against it. It involves a variable number of councilmen from one election to the next, and while provision may be made for increasing the fixed quota from time to time, thus preventing the council from increasing in membership beyond a fixed point, all of these provisions are difficult to explain. In Toledo a great deal of objection was raised to the fixed quota on the ground that it would result half the time in an even-numbered council, and deadlocks would ensue. If the council is small, there is some validity to this objection.

The essential principle of the Droop quota (the number of votes cast is divided by the number of positions to be filled plus one, and the quotient plus one is the quota) is to secure the lowest possible number at which it is impossible to elect more candidates than there are positions to be filled. The real purpose of the quota, however, is not to fix a number which must be reached by a candidate to be elected, but rather to fix a number beyond which votes will not be counted for a candidate. There are almost always some candidates elected without reaching the quota. In the 1929 election in Cleveland only 9 councilmen out of 25 elected received the quota. The remaining 16 were elected without a quota. In Ashtabula only 3 out of 7 received the quota. Generally speaking, only about half of the candidates elected ever reach the quota.[1] The essential principle of the quota is to turn back the surplus votes so as to prevent votes from being wasted upon a popular candidate.

An analysis of the proportional representation elections shows that few candidates receive a surplus vote on first choices, and that the number of surplus votes is relatively small. In Ashtabula at the 1929 election not a single candidate received a quota on first choices. In Cleveland at the last election only four candidates received a quota on first choices, and the total number of surplus votes transferred was only 3,423 out of a total valid vote of 123,453. This indicates very strikingly that the use of a complicated mathematical formula to arrive at the lowest possible quota is unimportant.

The writer proposes a return to the original Hare quota, which is simply the number of votes cast divided by the number of positions to be filled. If there are nine councilmen to be elected, the quota is one-ninth of the total vote. This is easily explained and easily understood and remembered. The average voter can see some sense to this. Theoretically it is not as sound as the Droop quota, but actually it will rarely ever, if ever, make any difference in the results. Fewer candidates will reach the quota, but that is unimportant. In the opinion of the writer, this simple change would do a great deal to simplify and popularize P. R.

THE TRANSFER OF SURPLUS BALLOTS

It is always difficult to explain the transfer of the surplus ballots of candidates who receive more than the quota of first choices. The transfer of the ballots of candidates who are eliminated is easily understood. The difficult point about the transfer of surplus votes is to show how and why certain ballots are transferred and others are not. A proposed proportional representation charter for Philadelphia simplifies the problem by providing that as soon as a candidate receives the quota, he shall be declared elected, and no further votes shall be counted for him. The order in which the precincts are counted would be determined by lot. This would give practically identical results as transferring the surplus votes. A simpler provision would be to provide that the order in which the wards, instead of precincts, are counted would be determined by lot, thus permitting the various precincts in each ward to be counted and tabulated as usual.

---

[1] In Cincinnati, however, where the ballots of the last candidate defeated (the runner up) are transferred, all nine councilmen elected in the first three elections have received a quota.

A NEW NAME FOR P. R.

The name *proportional representation* is unfortunate. Not only is it long, containing nine syllables, but it sounds complicated. The initials *P. R.* commonly used by proportionalists do not seem to help matters much. As a matter of principle, aside from other considerations, the name proportional representation may be objected to on the ground that it emphasizes too much the representation of groups or proportions. Newton D. Baker of Cleveland stated the point succinctly when he said:

> The councilmen are elected by a so-called proportional representation ballot. Just what proportion and what the proportion is, with regard to any particular councilman, I have never been able to discover.[1]

The writer has cast about for a short, descriptive title which might be used instead of proportional representation. It may be inadvisable, of course, in view of the amount of advertising which the name proportional representation has received, to attempt to change it at this stage. Nevertheless, the writer proposes the name *choice voting*, which is almost as descriptive, is shorter, simpler, has a more pleasing connotation, and would be more popular. The voter has to express choices on the ballot, and therefore it is choice voting. The ballot is counted according to his choices. Another implication of this term is that the voter may vote his real choices for council, without being restricted to the candidates of his own ward. In the 1929 election in Cleveland, even under the district system which restricted the voter to the candidates of his particular district, nearly twice as many voters cast their first choice for non-residents of their ward as those who expressed first choices for residents of the ward.[2]

INSTRUCTIONS TO THE VOTERS

In order to reduce the number of invalid ballots and to dispel any fear by the voter that he may be unable to mark his ballot correctly, a more effective method for instructing him how to mark his ballot is needed. The method which has been used with great success in Calgary,[3] but not in this country, is to print on the ballot itself a sample ballot in small type with fictitious names, marked with numbers instead of crosses. This shows the voter at a glance how to mark his ballot with numbers. The sample marked ballot should be headed: MARK YOUR BALLOT IN THIS MANNER. Following the sample ballot, the printed instructions to the voter should be as brief as possible. The following is suggested:

> Mark your first choice with a number 1, your second choice with a number 2, and so on. You may vote as many choices as you desire.
>
> DO NOT USE AN X MARK. DO NOT USE ANY NUMBER TWICE.

It is well known that people do not read lengthy directions. It is futile to attempt to explain to the voter why he should cast numerous choices on the ballot. A more effective manner of conveying the same idea is to have the marked sample ballot show as many choices as there are positions to be filled.

A SMALL COUNCIL ADVOCATED

The election of members of the council from districts under P. R. has not worked satisfactorily in Cleveland and Winnipeg. There are a number of decided handicaps. The publicity given to the councilmanic election is greatly restricted, for the voters of each district are interested only in their own candidates. There is no unified, city-wide contest. The choice of the voter is greatly restricted. In Cleveland it has resulted in many councilmen still regarding themselves as representatives of a particular ward. The district system makes it difficult for a civic organization to offer a strong slate of candidates and to secure effective publicity.

---

[1] Stated to the writer, August, 1928.

[2] The statistics were: voters who marked the first choice for residents of their ward, 45,478; voters who cast first choice for non-residents of the voter's ward, 77,961. *Proportional Representation Review*, Jan., 1930, p. 17.

[3] The sample marked ballot in Calgary is included in the printed instructions posted at the polls.

The election of a large council under P. R. has serious defects. Large councils do not attract first-class candidates. When used under P. R., even with a district system, a large council facilitates racial voting. The election of a smaller number of candidates, from the city at large, makes this more difficult. The candidates must have the backing of more than a single foreign group, and thus strictly racial representation is discouraged.

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THE LEAGUE'S BUSINESS

Annual Meeting of League Council.—The council of the National Municipal League met at the City Club of New York on April 25. The following members of the council were present: Richard S. Childs, president; A. Leo Weil, Pittsburgh, vice-president; M. N. Baker, New York; Louis Brownlow, Fair Lawn, N. J.; Richard Crane, Westover, Va.; Mayo Fesler, Cleveland; Mrs. F. Louis Slade, New York; Laurence Tanzer, New York; Henry M. Waite, Cincinnati; and Clinton Rogers Woodruff, Philadelphia.

The council adopted the budget for the current fiscal year as presented by the secretary. The budget as adopted is based on expenditures totaling $55,974.71, an increase of $5,778.45 over the expenditures for the fiscal year ending March 31, 1930.

The secretary reported a most encouraging increase in the membership. The report showed that during the last *six* months of the past fiscal year exactly the same number of new members were secured as had been enrolled during the preceding *twelve-month* period. It is our hope, during the coming year, to secure at least 1,000 new members.

Ten committees of the League are now at work in the preparation of important reports. The present committee activity will, in the course of time, lead to the publication of a large number of very important technical pamphlets.

The resignation of the Honorable Charles E. Hughes as vice-president was presented to the council and was accepted with regret. Mr. Hughes resigned because of his appointment as chief justice of the United States. In view of the conspicuous help he gave the League through serving two years as president and several years as vice-president, the council passed the following resolution unanimously:

> WHEREAS, the Honorable Charles E. Hughes, having been appointed Chief Justice of the United States, finds it necessary to resign as Vice-President of the National Municipal League, and
>
> WHEREAS, Mr. Hughes has rendered meritorious and distinguished service as President and Vice-President,
>
> *Therefore, Be It Resolved* by the Council, in annual meeting assembled, that the National Municipal League express its deep regret at the withdrawal of Mr. Hughes from active service in this organization, and, at the same time, its gratification that he has been given this additional opportunity for distinguished public service, and its thanks and appreciation for the contribution he has made to the cause of better government.

*

Baldwin Prize Contest Judges Appointed.—A number of essays were submitted in competition for the annual Baldwin prize contest. The following have been appointed as judges of the essays submitted in competition this year: William C. Beyer, Philadelphia Bureau of Municipal Research; Professor Morris B. Lambie, University of Minnesota; and Professor Frederick H. Guild, University of Kansas.

RUSSELL FORBES, *Secretary.*

NATIONAL MUNICIPAL REVIEW

VOL. XIX, No. 6 JUNE, 1930 TOTAL No. 168

EDITORIAL COMMENT

Dykstra to Manage Cincinnati

As announced by Mr. Bennett in the Notes and Events department of this issue, Colonel C. O. Sherrill has resigned as manager of Cincinnati in order to accept the vice-presidency of a grocery firm at a salary so much larger than the city was paying him that his friends could only advise him to accept. His successor will be C. A. Dykstra of Los Angeles. Mr. Dykstra is a member of the council of the National Municipal League and one of the country's outstanding experts in municipal government. Cincinnati is assured an administration by a man who thoroughly understands municipal problems and the principles of manager government. "Dyke's" large circle of friends will be gratified at his appointment, and the REVIEW wishes him unlimited success in his new field. He has been serving as professor of government at the University of California at Los Angeles and as director of personnel and efficiency in the Los Angeles water and power department.

*

Census Returns Emphasize Growth of Metropolitan Regions

It is too early to report figures, but the returns of the 1930 census thus far announced confirm the generally accepted belief that the last decade has witnessed a distinct decentralization of population in and about our cities, both large and small. Numerous cities are face to face with the disturbing realization that their population estimates of the last few years were over-optimistic and that their rate of growth has been retarded by the drift to the suburbs. Borough President Miller announces that Manhattan is losing residents at the rate of 65,000 per year. Alarmed by this decrease, he has persuaded twenty-five builders to join him in a program of apartment-house construction, with rooms at moderate rentals, to stem the migration of the "white collar" class to the less populated boroughs and towns. Estimates are that Manhattan now provides homes for 700,000 fewer persons than in 1910.

The decentralization which is taking place is of a new type. People seem still to cluster around the large cities. Urban life on a large scale continues to have its attractions. From the standpoint of the nation, therefore, population is proceeding towards centralization; but from the standpoint of the individual cities, population is decentralizing. More and more people are demanding and receiving the combined benefits of city opportunities with the amenities of lawns and open spaces which were denied in former generations to city folk not blessed with great wealth.

Regional Governments Being Considered in New Jersey The New Jersey state legislature in 1929 created a state regional planning commission to study the problem of metropolitan government in the state, particularly in the North Jersey area. Its report to the 1930 session was accompanied by a bill dividing the state into four regions and setting up a district government in each region with power to undertake public works on a regional scale. The eight counties in northern Jersey were organized into the North Jersey district. Other regions were the Atlantic district, the South Jersey district, and the Delaware district. For North Jersey and South Jersey the plan was made compulsory, but in the other districts regional government was not to go into effect until accepted by vote of the people.

In each district the governing body was to be composed of representatives chosen on a county basis (one from each county in the district) who would, in turn, select an executive with powers similar to those of a city manager in an ordinary community. The district commissions were to be bodies of delegated power with authority over such matters as regional planning, water supply, drainage and sewage disposal, rapid transit, and reclamation of meadows. Taxing powers, including authority to levy special assessments and to create special tax districts, were conferred upon them. The bill failed in the legislature, but the planning commission will continue to work and it is hoped that after a year of public discussion the next legislature will see fit to adopt its recommendations.

The North Jersey region contains a population about equal to that of the city of Chicago. Its government is divided among more than 220 political units. The need of the area for a common government has been amply demonstrated in the failure of past efforts to provide adequate facilities for rapid transit, sewage disposal, traffic, and water supply. The plans of the transit commission for a regional system of rapid transit tying up with New York City have come to naught because of the failure to solve the difficult problems of planning and finance arising from the chaos of local governments in New Jersey. Everyone who has given the matter the slightest consideration is convinced of the necessity of a super-local government able to launch a unified offensive.

The Wanaque water supply system, which was inaugurated the other day with so much official ceremony, is a practical demonstration of the weakness of intermunicipal coöperation as a method for securing urgently needed services. This twenty-million-dollar project presented no technical difficulties, yet it was accomplished only after years of vacillation and inefficiency. Because of constitutional difficulties the district water supply commission, which represented eight municipalities, had no power to levy taxes or issue bonds but was dependent upon funds supplied by the municipalities involved. No step could be taken except by mutual agreement. Had it not been for the size of Newark and its ability to proceed, if necessary, without the coöperation of the others, it is doubtful if the project would yet be more than a paper plan.

Intermunicipal coöperation has a pleasing sound but in practice works about as expeditiously as a naval disarmament conference. New Jersey is playing the part of wisdom in striving to set up regional governments commensurate with regional needs.

*

Bureaucracy, Democracy, and Tyranny Years ago a wise thinker foretold that when popular government had been attained it would prove to be more tyrannical than absolute monarchy. There is perhaps enough truth in this prophecy to constitute a warning. The danger arises partly from a tendency to accept the will of the majority as the ultimate moral sanction, but more particularly perhaps from the sense of security against tyrants which universal suffrage encourages.

Traditional American opinion, evolved before the day of mass propaganda, held that the way to preserve free government was to entrust administration only to amateurs. Avoid an office-holding class. Preserve the long ballot and keep the turnover in public office high. "Anyone who is not fit for the gallows is fit for any office to which he can be elected."

The American system has developed the politician's trade to high efficiency, but has consistently denied us participation in the advantages of a trained civil service. The choice seemed to lie between inefficient democracy and efficient bureaucracy, and Americans accepted the former without attempting to resolve the dilemma. Today the city manager plan represents the leading conscious effort in this country to reconcile administrative skill and democracy. A study of the political arguments in campaigns for manager charters reveals how great a break the manager theory makes with the past.

Writers on civil service place great hope in professional officials. They usually give high praise to the English civil service and assert that its experience demonstrates that we can have both efficiency and democracy. The cabinet supplies the democracy; the permanent officials contribute the efficiency.[1] But the permanent officials are efficient because they are independent of political control, which means that in large measure they control their political superiors. Some would say that in reality England is "being ruled by a trained and skilled bureaucracy accountable to no one." This, however, is a figure of speech not to be considered too seriously. Certainly the professional in government, to be useful, must be allowed a wide range of independence, unhampered by excessive interference of amateurs.

But, on the other hand, the Chief Justice of England has doubts which he has not failed to express in heated and oratorical language.[2] In his opinion the English civil service has produced a despotic bureaucracy which has displaced the parliamentary minister and even Parliament itself from the driver's seat. Both Parliament and the courts have been defied by the zealous professional who knows the details and has a clear idea as to what he wants to accomplish. Lord Hewart is aroused because Parliament has delegated such wide legislative and judicial powers to the administrative departments, bureaucracies which work in secret and are on the job day and night. The fact that they are composed of able and well-intentioned men is no defense for the system, he asserts.

It is true that the power of the administrative departments of the English government has increased out of proportion to anything which has taken place in the United States. In some cases they have been given power to change statute law by administrative regulation. Rules and orders are permitted to take effect "as if enacted in this act." The courts have been ousted from their proper place, thinks Lord Hewart, by being denied power to pass upon the validity of administrative acts. Thus, in certain cases, condemnation of private property is purely an administrative function, the power of the department being final without appeal to the courts. Of course nothing like this is legally possible in the United States.

---

[1] See particularly R. MacGregor Dawson, *The Civil Service of Canada*, Oxford University Press, 1929. This book is an admirable history of the growth of the merit principle in Canada thrown against the background of English experience. American readers will be particularly interested in the author's criticisms of the 1919 classification plan introduced into Canada by American experts.

[2] Lord Hewart of Bury, *The New Despotism.* New York: Cosmopolitan Book Corporation, 1929.

Lord Hewart recognizes that the legislature is not up to handling the vast amount of detail itself, but feels that dangerously broad discretionary powers have been conferred without adequate controls. His suggestions for bettering the situation, however, fail to inspire confidence. Even if professional civil servants can be called bureaucrats (an evil-sounding word not always accurately used), their superior ability to politically chosen officials is unquestioned and modern government cannot survive without them.

In the United States the struggle still is to secure proper independence and continuity in office for executive officers. The manager plan works best when the manager is given free play within the scope of his functions, and this can be done without sacrificing one bit of popular control. As advocates of the short ballot know, the manager plan is the most easily controlled form of popular government. But the manager must be free from petty interference by a meddlesome council if he is to be adequately controlled in larger matters. Professional dignity and professional efficiency demand this freedom and the American people need have little fear that they will become slaves to bureaucrats. The graver danger is that they will continue to be the unwitting victims of an outworn theory of democracy which makes municipal government both slovenly and wasteful. If this occurs, democracy will be tyranny indeed.

*

Weaknesses of Reformers

"Reform movements are almost always of a temporary character. There is a certain inherent weakness in an unbossed organization. First, those who lead it may not be wise and shrewd. Idealism is not always combined with common sense. In an independent group, there may be as many 'generals' as in the Mexican Army. Moreover, the paladins in this company are not dependent for their livelihood upon the success of their venture and, being unbossed, are likely to be uninformed, to have serious differences of opinion, and to engender dislikes for those engaged in the same movement which occasionally result in as much internal warfare as opposition to the enemy. Also, the citizen who takes up arms, often because of some special outrage affecting him or his, in the course of time forgets what aroused him or becomes weary and returns to the ranks of the indifferent or terrorized." (From "How Political Gangs Work," by Murray Seasongood in *Harvard Graduates Magazine.*)

*

The many friends of Professor Thomas H. Reed will be grieved to learn of his serious illness following a collapse in St. Louis, where he has been engaged as consultant to the City-County Consolidation Committee. Several blood transfusions were necessary, but he is now reported out of danger, and the REVIEW hopes for his rapid and complete recovery.

HEADLINES

A DETROIT law providing for seizure and impounding of automobiles parked in violation of traffic rules was held unconstitutional by Judge Ralph Liddy in Common Pleas Court. Thousands of cars were towed away in the past eight months, owners paying $3.00 each for release. Another source of revenue gone!

* * *

New York City, home of so much that is biggest and best, will soon lead the world in another line. The world's largest activated sludge plant will shortly be constructed on Ward's Island at an estimated cost of $20,000,000.

* * *

The Chicago delegation to the special session of the Illinois state legislature has pledged itself to block the state income tax until downstate members of the legislature agree to reapportionment.

* * *

Petitions have been circulated in Michigan asking a referendum vote on a proposed constitutional amendment making reapportionment of state legislative districts mandatory after each decennial census. In Detroit Mayor Charles Bowles has requested city department heads to circulate the petitions.

* * *

Philadelphia women are making a door-to-door drive to obtain membership for the City Charter Committee which is fostering a home-rule measure in the legislature. The bill would permit citizens of Philadelphia to vote upon a change to the city manager form of government. A similar proposal failed of passage last year.

* * *

The manager plan will be presented to the voters of Oakland, California, as a clear-cut issue at its election in August. Proposed charter amendments deal solely with the administrative branches of the city government as they are related to the office of city manager. There is no change in the civil service status of any city employee or in the status and functions of present boards. Proponents of the manager plan do not want to hear any tunes played in minor keys during the election!

* * *

New Jersey voters will soon pass upon the Pierson $100,000,000 bond plan for public improvements. Bonds would be issued as follows: $65,000,000 for highway rights of way, bridges, viaducts; $18,000,000 for grade-crossing elimination; $10,000,000 for institutions and agencies; and $7,000,000 for the acquisition of public water-supply lands.

* * *

A graduated gross sales tax on retail merchants was adopted by the Kentucky legislature recently. The rate of the tax follows: one-twentieth of 1 per cent of the gross sales of $400,000 or less; two-twentieths on the excess of the gross sales over $400,000 and not exceeding $500,000; five-twentieths on the excess over $500,000 and not exceeding $600,000; eight-twentieths on the excess over $600,000 and not exceeding $700,000; eleven-twentieths on the excess over $700,000 and not exceeding $800,000; fourteen-twentieths on the excess over $800,000 and not exceeding $900,000; seventeen-twentieths on the excess over $900,000 and not exceeding $1,000,000; 1 per cent on the excess over $1,000,000.

* * *

Failure of the single tax to provide sufficient revenue without placing an undue burden on any particular section of the community is the reason given for the decision of the North Vancouver, B. C., city council to place a tax on improvements.

* * *

Clarence A. Dykstra, professor of government at University of California, southern branch, and director of personnel and efficiency of the Los Angeles water and power department, has been chosen to succeed Colonel C. O. Sherrill as city manager of Cincinnati.

* * *

San Francisco does not know what its legal debt limitation is. Estimates range from $44,000,000 to $106,000,000. The difficulty comes in the interpretation of the phrase, "all real and personal property in the city and county subject to taxation for city and county purposes" in a charter amendment adopted in 1926 which fixes the debt limitation at 12 per cent.

* * *

Rhode Island has followed Connecticut in placing the taxicab under state regulation. To fix rates, specify service, and stipulate equipment needed, are the powers given to the state utility commission.

* * *

The use of aerial photographic maps by the state highway department of Michigan has been found to be practical and to cost far less than surveys by land crews, in addition to saving a great deal of time.

* * *

H. F. McElroy was reëlected city manager of Kansas City by unanimous vote of the council.

* * *

The Philadelphia city hall has not been inspected for sanitary purposes within the memory of any of the officials of the bureau of health, according to newspaper reports. Dr. H. A. Cairns, health director, in reply to charges that it is a "vile and smelly hole," says he has "lived" there for thirty years and never has seen any reason for having the building inspected.

* * *

After five years of experimentation, Detroit has definitely abandoned the old-style cell block prison for its misdemeanants and will house 80 per cent of them in barracks located on a large farm twenty-five miles from the city hall. Approximately 20 per cent of the prisoners, consisting of the more unruly, drug addicts, and the diseased, will be taken care of in a small cell block prison, to be erected shortly at the same location.

Howard P. Jones.

A POLICEMAN'S LOT

AN APPRAISAL OF GROVER WHALEN'S *TOUR DE FORCE* AS POLICE COMMISSIONER OF NEW YORK CITY

BY JOSEPH McGOLDRICK

Columbia University

Measured by column inches of publicity, Grover Whalen was a great success as police commissioner of New York. :: :: :: ::

THE police have been a perennial problem with Tammany. The genial Walker has not escaped it. We find him now sending his third commissioner into exile. The belligerent McLaughlin, the bewildered Warren were followed by the be-spatted (or bespattered) Whalen. Misfortune met him in the hour of success. With the whole city at his feet he found himself fallen from his chief's good graces. One would hesitate to say, however, that he falls never to rise again.

Whalen's was no obscure figure when the combined circumstances of the Rothstein mystery and Commissioner Warren's nervous collapse called for a successor. Burgomaster Walker, perhaps not without misgivings, summoned him in a moment of public, or at least political, emergency. There was an election ahead and while the outcome could hardly be said to be in doubt it would have been rash not to have heeded public clamor. Whereupon Grover Aloysius Whalen was summoned from the marts of drygoods to solve a great murder mystery, or, at least, create a diversion.

THE GREAT GREETER

Wide World Photos

GROVER A. WHALEN

More fastidious and faultless in dress than the flashy Walker, more businesslike and more attentive to details, and perhaps an even more consummate showman, it was inevitable that Mr. Whalen and his chief would clash. Mr. Whalen was no man to play second fiddle; nature had cast him for a lead. Entering public life as an obscure campaign assistant to Mayor Walker's predecessor, he had been quickly promoted to secretary to the mayor and thence to the leadership of the newly formed department of plant and structures. So boundless was his energy and so bottomless his appetite that he was on a fair way to swallowing half the departments of the city government, so that even the none-too-perspicacious Hylan perceived the menace to his own renomination and arranged his first retirement from public life.

He had made the most of his opportunities, however, and had acquired some wealthy and influential friends, among them Rodman Wanamaker, who placed him in charge of his huge department store. Whalen continued in the public eye as chairman of the mayor's committee on the reception of distinguished guests. The World War and the years following brought imposing delegations of premiers, princes and potentates, not to mention cardinals, channel swimmers, and conquerors of the air. The urbane Whalen became a past master at this ritual. It was he who prescribed the striped pants and spats for the aldermen on the occasion of Queen Marie's arrival. Ever the efficient Grover was on hand, his sleek top hat shining in the sun, his gay gardenia and his smile of civic welcome. Stenographers and shopgirls ah-ed and oh-ed as the cavalcade of limousines and motorcycles whizzed up Broadway amid a shower of ticker tape and torn telephone books. And always the radiant and familiar face of the great greeter himself.

ENERGY AND COURAGE

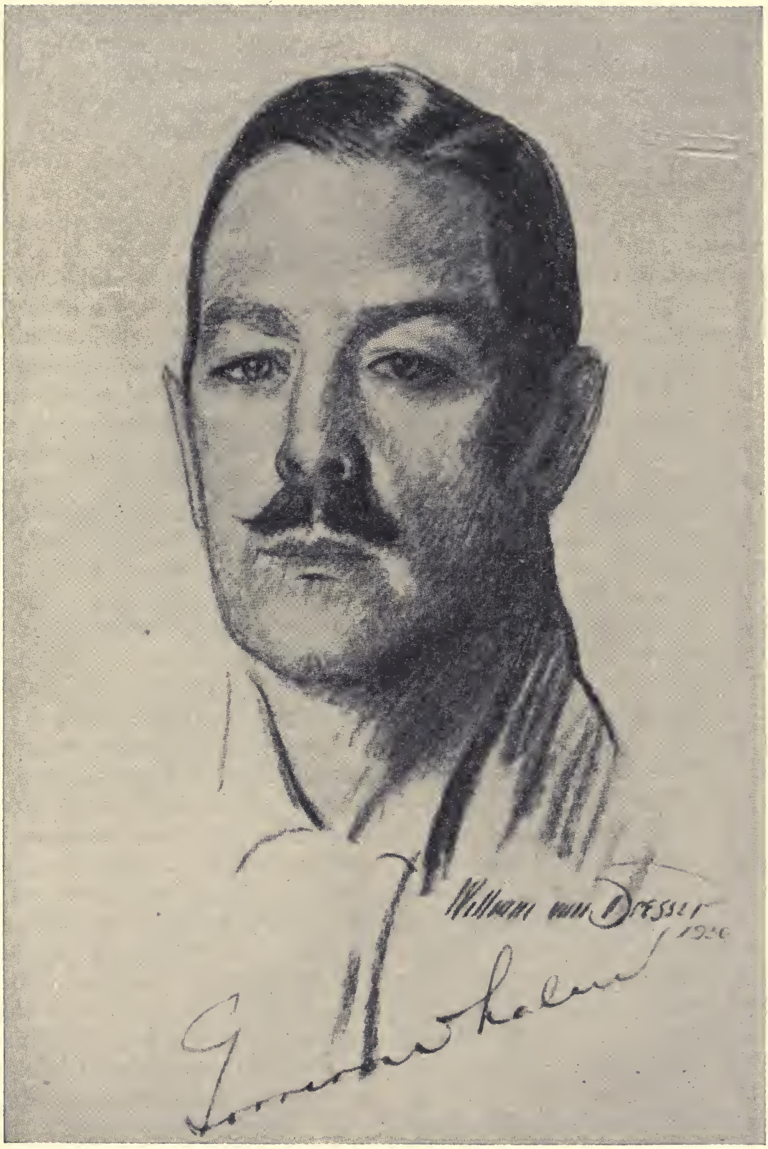
He went at his new job with equal energy. Having been appointed to clear the Rothstein tangle, he presented us within a month with a traffic plan for the theatre district. It was a bold plan boldly executed. In the area between 39th and 53rd Streets and between Fifth and Ninth Avenues no turns, right or left, and no parking were to be permitted. This great traffic drama opened, S.R.O., with Whalen in the stellar rôle. There were some hisses from a gallery of taximen, restaurateurs and shopkeepers, but they were drowned in the volume of applause. With some necessary cutting and fixing, the piece bids fair to outdistance *Abie's Irish Rose*. Its author, encouraged by the public's reception of this offering, has staged similar triumphs in Central Park, the Grand Central zone, and downtown Brooklyn. It would be ungracious to suggest that some of the credit for these successes belongs to an able deputy who had been devoting much thought to these problems before Whalen appeared upon the scene. But to the latter must go full credit for the daring manner in which he put them over.

Whatever his shortcomings, Whalen has had the courage to do things. Sometimes he has acted rashly and found himself forced into ungraceful retreats, but he contrasts with our popular mayor in his readiness to undertake things and in the celerity with which he got them done.

NEW CRIME BUREAU A REAL ACCOMPLISHMENT

Potentially, the biggest contribution of his brilliant year and a half is the crime prevention bureau. Some efforts in this direction had been made fifteen years ago, but they were quite forgotten. The state crime commission was conscious of the need. Several of its members sold Whalen the idea and worked out the details for him. They were somewhat surprised at the eagerness with which he took it up and even more astonished at the speed with which he filled the papers with publicity about it. The new bureau, headed temporarily by an able and experienced social worker, will be primarily concerned with dance halls, pool rooms, and the neighborhood conditions in which boys and girls usually form their first entangling alliances with crime. Every effort will be made to coöperate with social agencies in the field. The entire corps of police women has been transferred to this bureau and a special force of men is being recruited for it. The work is off to a good start.

the black hussar
as sketched by wm. van dresser,
portrait painter and art editor, alley up,
february 21, 1930



"the door opened and he strode in—bronzed, virile, clad in somberly brilliant black with a touch of red . . . i sensed the energy and authority which fairly radiated from the man. . . . the finely formed head with its sleek black hair, massive chin and piercing celtic eyes, the muscular figure with its military carriage, the polished, contained bearing . . . all conveyed limitless capability and resource and the irresistible power of law and government . . . i felt as if the whole strength of the new york machine of law and order was present in the room.

"and the black pajamas—they seemed like a uniform symbolic of grim duty and civil power . . . i thought of black hussars, great military commanders. . . . grover whalen is the most inspiring subject i have ever drawn."—*Spring 3100*, March, 1930.

DEPARTMENTAL MORALE

More certain to endure is the improvement of departmental morale which has characterized the Whalen régime. Such details as fresh paint and smart uniforms are more important than they seem. The abolition of irksome reserve duty which he replaced by fourteen glittering emergency cars laden with riot guns, axes and tear bombs, and manned by special helmeted crews, ready at any moment of the day or night, to dash where duty or disorder call, offered an opportunity to combine display with the gratitude of the force. Police quarters have a new tone. Coats are buttoned, men stand erect; there is less of the air of time-killing and banter. Courtesy cards were tacked up everywhere, in sound department-store tradition, announcing that "Courtesy is derived from kindness" and extolling its other attributes. Even a cafeteria! And a house organ, *Spring 3100*, full of newsy notes about Bill This and Joe That and the inevitable pictures and pious platitudes of the boss.

The new *esprit de corps* is a strange concoction of department store civility and military discipline. The commissioner when he is not thinking of himself as an executive likes to think of himself as a Napoleon. A bronze figurine of the doughty Corsican adorns his desk. He has done much to give the department a military tone. He delights to think of crime as a war and the criminal as an enemy. He has the military man's impatience with civil rights and civil procedure. For him, the enemy of society has no rights.

A COLLEGE-TRAINED FORCE

A training school had been set up twenty years ago. It was a modest enough affair conducted in the old gymnasium. The imagination and genius of Whalen changed it into a college. A seven-story loft building across the street was acquired. The commissioner persuaded several motor-car manufacturers to donate expensive working models for instruction. Others gave equipment for a permanent traffic display. Classes in mechanics, ballistics, the law of evidence, and the courtesy of the highway were formed. The ninety-day course for recruits was developed and enriched. Other courses were added for detectives and those planning to take promotion examinations for higher license. Five hundred sergeants are in training to be lieutenants and 6,000 patrolmen to be sergeants. Mr. Whalen, we are told, would like to expand the curriculum to include history, human relations and sociology as well as law, psychiatry, traffic regulation, and the conduct of an officer. This is Mr. Whalen's proudest achievement. So well is this job done that one may forgive the hiring of a Chicago advertising firm to prepare its publicity.

AIRPLANES

And then the busy commissioner bethought himself of the "firmament" and he reared back and "passed another miracle"—an airplane patrol. Rodman Wanamaker, Jr., selected some promising applicants who were promptly enrolled in a flying course. The new service has already been inaugurated with befitting publicity. Its utility in practical police work has not been precisely explained, but three of these planes, immaculately new, mounted on huge trucks, rode in the great police parade.

This grand pageant was offered on April 26 as the crowning spectacle of the commissioner's police career. Six thousand of the city's force of thrice that number marched from the Battery to the reviewing stand in Central Park. They featured all the trappings of modern police technique. There were mounted motor and motorcycle squads, police dogs, riot wagons and black marias (painted a less gloomy green). A battalion of fusiliers with gleaming steel helmets and glistening bayonets revealed the city's challenge to revolution. Several hundred police collegians in gray sweaters and blue bérets marched by singing the Maine University *Stein Song.* And thousands of stalwart cops led by portly lieutenants.

RUMORS OF RETIREMENT

It was a great parade. But there was a note of suppressed sadness. The mayor's solicitous physician and sewer commissioner had ordered him to bed the day before to rest his nerves, and the announcement indicated that he would be so confined until after the day of the great testimonial dinner when the leaders of commerce in the city were to place their verbal tributes at their hero's feet. Rumors were already abroad of the Whalen retirement. They had persisted for several months. They seemed to come from city hall, for the commissioner angrily denied them or remained silent. By the time of the banquet it was no longer a secret that the absence of the mayor was due as much to his attitude as to his illness. The Mayor sent an unusually cordial and commendatory note, but the editor of the *New York World* unhesitatingly pronounced it "applesauce." Twenty-five hundred of the great and near-great assembled to hail Citizen Whalen. The pundits of big business in the city declared themselves well pleased. It is one of the ironies of modern life that these ponderous giants of commerce should be so genuinely impressed with publicity and a pop-gun performance.

WHAT ABOUT POLICE ACTIVITIES PROPER?

The foregoing narrative has emphasized, as did indeed our hero, the more spectacular features of police work. It is noteworthy that he retained as deputies two former newspaper reporters and appointed two others as his secretaries. But in the soberer business of routine police administration and the catching of criminals Mr. Whalen was less conspicuously successful. Within the first twenty-four hours of his incumbency he had demoted or dismissed a dozen of the important officers of the department and abolished the special service squad. The latter has been a hardy perennial in the department. Always a source of dissatisfaction, every new commissioner promises to abolish it, but he soon finds himself forced to recreate it. With Whalen it soon reappeared as the secret service squad. A hundred operatives, known in the best fiction tradition only by numbers, are to steal their way into the confidence of the racketeers and the communists. Years hence when they have reached the inner shrines of these strangely dissimilar foes, they will thumb their vests and reveal their badges. And the kingdoms of the ungodly will crumble.

One day the *New York Telegram* conceived a particular hatred against those "speakeasies" which were selling poisonous liquors. Whereupon Mr. Whalen inaugurated a campaign of fixture-smashing. He had to be reminded that there was scant legal sanction for this. But he still clung to the notion that there are "good speakeasies" and "bad speakeasies." He announced that there were 32,000 in all and that his men would raid those which were gangsters' hangouts. Several hundred small fry of gangdom were corralled one weekend and a dozen or more sentenced for vagrancy; and that was that.

Strong-arm methods appealed to him. He urged the liberal use of the night-stick in the good old-fashioned way. He tolerated the "third degree," participated in it, even boasted of it. In his busy round of informal talks he frequently chuckled over such refinements as the putting of an uncommunicative prisoner in a cold room in mid-winter without clothing to loosen his tongue. The bar association showed signs of stir at these practices and mentions of them became fewer. But it was an open secret that the commissioner had no objection to the continuance of these and other he-man methods.

COMMUNISTS

Mr. Whalen's handling of communist troubles is typical of what was best and worst in his police career. The thing began in police brutality which resulted in a young communist striker's being shot by a detective. A mass protest at City Hall was roughly handled, but the great throng which attended his funeral amid much publicity was not molested. Coming just before the communist unemployment demonstration, these events added great popular interest to the Union Square rally. Whalen and his men were on hand in great force. Under their chief's approving eye they slugged communists and bystanders with equal zeal. Whalen thought it a huge joke. He described to reporters how he chuckled when he saw one of his *agents provocateurs* being beaten by his police. When the story appeared in the papers he denied he had said it, but neither he nor the paper followed the matter up. Then he announced that he was preparing a huge blacklist of communist sympathizers to furnish employers—indeed many were already coöperating. Surprised at the indignation this aroused, he again protested that he had been misunderstood.

As if there were not enough prospect of trouble on May Day, he issued a permit to the Veterans of Foreign Wars to use Union Square, and their leader promised that they would appear with helmets and bayonets full of punch and patriotism. The stage was being set for a bloody encounter. Sober leaders of the town became alarmed. A flood of protests poured in on him. The plans were hurriedly revised; the veterans were hurried into the Square before one P. M. and away before two; then forty thousand communists marched to the Square between solid phalanxes of police and great hordes of gaping spectators, without the tiniest fuss or rumpus. The commissioner's face was saved and a good police job was done. The net result was to give the communists, between March and May, fully ten times the newspaper space they would have been likely to have been accorded. The episode ended with Mr. Whalen hurrying to Washington with some startling exposures his secret operatives obtained from sources which he was unwilling to reveal.

TAXICABS

A bear for punishment, Mr. Whalen had already invaded the taxi hornets' nest. Twenty thousand of these insects buzz in the city's streets daily. Of course, they are a traffic problem. But Mr. Whalen was interested in more than that. His aesthetic heart was set on having the drivers garbed in neat dusters and caps. A friend stood ready to supply this equipment in accordance with the Commissioner's new edict. But the courts thought otherwise . . . and if you have any friends in South America or China who want to uniform a revolutionary army, I know where you can get some uniforms cheap. Unabashed, the commissioner persuaded an indulgent board of aldermen to give him an ordinance increasing taxi fares. For ten long ominous days the ordinance lay on the mayor's desk; then he snapped up his pen and vetoed it. He said not a word, but his act spoke volumes. To his last day in office the commissioner clung to his opposition to low-priced cabs. There has been a smoke and odor to the whole affair hardly due to the mere combustion of gasoline.

A DUMB ACT PROMISED

At length the mayor received the eagerly awaited resignation. With befitting expressions of reluctance he hastened to accept it and promptly announced Mr. Whalen's successor. The latter is an old-fashioned police officer, thirty-four years on the force. As a friend of the mayor's told the *Times* reporter, "The mayor had to find a man who was tongue-tied. You can't have a banjo act followed by another banjo act. You'd have to have a dumb act, acrobats, dogs, or jugglers."

The next day the mayor at the installation of his new commissioner saluted him: "No matter where one turns in an investigation of you it becomes highly pleasing to learn the record that you have made with such an innate constitutional modesty, self-effacement, and without any ideal or objective apparently in view but the fulfillment of your official obligations in the service of the people of the city of New York."

To which the appointee responded: "With your whole-hearted support and advice, which I know you will give and which I will frequently seek, I have no hesitancy in saying that I will administer the affairs of the police department to the entire satisfaction of yourself and the people of our city."

Whalen had been industrious. He had striven hard for publicity and public good will. He literally worked night and day. No invitation to speak was spurned. No suggestion was rejected if the tiniest news story would be pegged to it. Surely such display of diligence and devotion is uncommon enough among officials of our great cities. Some otherwise rational people, however, have concluded from this performance that Whalen would make a wonderful mayor. This overlooks his appalling disqualifications. He has a meager understanding of community problems. He caught the real essence of very few of the things for which he claims credit as police commissioner. He is impatient with criticism, impetuous and contemptuous of civil rights. It is true that where others have been cautious or cowardly he was headlong and headstrong, but where judgment and balance are required he had only bluster. When we asked for bread, he gave us a circus.

WOMAN SUFFRAGE AND THE FRENCH MUNICIPAL ELECTIONS

BY R. K. GOOCH
University of Virginia

Because of the part played by municipal councils in the selection of senators, local elections in France involve the suffrage issue. ::

THE year 1929 was municipal election year in France. A law passed just previous to the elections having extended the terms of communal councils from four to six years, the next municipal elections will take place in 1935. At that time, the members of communal councils will again be elected on the same day in nearly forty thousand communes. First among these communes is, of course, Paris; but, at the other extreme, certain communes are the merest hamlets of a few families. The majority stand closer to the latter than to the former, for something less than eight hundred communes have populations of more than five thousand; but it is not difficult to understand that polling on such a scale is a momentous event in the politics of the country.

In retrospect, however, the elections of 1929 do not loom particularly large. This is not to say that the elections were not at the time attended with interest. The political parties advertised their municipal platforms and exhorted their members to vigorous action; while the press reminded the citizenry of its duty to interest itself in the issues and to vote. Election day was in general uneventful, though it is not surprising that in a few instances local battles, attacks on ballot boxes, and the like were reported. By way of aftermath, a certain amount of interest was aroused by the discovery and adjustment of a curious conspiracy by which the mayor of Lille had been defeated; and the press naturally gave considerable space to the situation in Lyon and to the remarkable circumstances by which M. Herriot unexpectedly retained his mayoralty there.

Even before the elections, certain members of the Grand Press insisted that it would be impossible to draw any general conclusions from the results; and when the returns were all in, these journals insisted that they had been right. They were constrained to admit, however, that in certain areas, for example, more especially in Alsace and Lorraine, universal suffrage expressed definite convictions; and the press of the Left insisted that the country as a whole showed a decided tendency to move away from the Right. They attempted to prove this by their own figures, for they insisted that the statistics of the ministry of the interior were inaccurate. After a not altogether dignified controversy between M. Tardieu and the Secretariat of the Radical and Socialist-Radical Party, both sides rested on their positions.

POSTERS ENLIVEN THE CAMPAIGNS

Not the least interesting aspect of a French municipal election is the use of posters by candidates, jokers, and others who feel concerned. In accordance with law, rectangular board panels of some four by six feet are suspended from trees, walls, and other points of vantage at such frequent intervals that one cannot, in Paris or the provinces, proceed far without encountering a group of these panels. To them are attached posters of great variety. Whether they have any considerable effect on the outcome of the elections, it would be difficult to say. In any event, a certain number of curious individuals read the posters with various sorts of interest; and four years ago, following the last municipal elections, a learned American professor of political science published in a learned review dealing with municipal affairs, a learned article on the use of posters in French municipal elections.[1]

For the elections of 1929, a prize for the most striking posters, if awarded by a casual observer, would almost certainly go to the ladies who so seriously and ably support the cause of woman suffrage in France. These elections could not fail to call forth some of their best effort.

In French theory, as students of political science know, agents and councils of local government are all considered administrative in character; but although most of these agents are appointed by the central government or by local agents themselves, several sorts of councils, including communal councils, are popularly elected. This in itself is enough to assure a certain political complexion to these councils; and this complexion is heightened by the fact that, in spite of theory, the councils are given a definitely political function: their chosen representatives form such a considerable proportion of the senatorial electoral colleges that Gambetta thought of the senate as the great assembly of the communes of France.

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[1] Robert C. Brooks, "Paris Gayly Chooses a Council," NATIONAL MUNICIPAL REVIEW, Vol. XIV, p. 525.

THE ISSUE OF WOMAN SUFFRAGE

Since the war, the chamber of deputies, directly elected by the people, has on several occasions expressed itself as favorable to the extension of the vote to women. The senate, indirectly elected by special electoral colleges, has not followed this lead. On one occasion, a bill was passed in the popular assembly granting the vote to women in all elections. The senate, in spite of various sorts of pressure, quoted Tacitus concerning woman's proper position and refused even to discuss the chamber's measure. The chamber, on another occasion, voted to extend the suffrage to women in municipal elections; but the senate, with no regard for a promise made by M. Poincaré in 1927 that the government would support a measure of this sort in the upper house, has twice voted against calling the matter up for debate, the last time in 1929.

There is little wonder that the ire of the women and of their several strong organizations is directed against the senate. When there is added the fact that the municipal councils elected in May, 1929, with their term increased from four to six years, will through their delegates participate in two senatorial elections instead of one, the interest of the suffragists in the municipal elections is even more easily explicable.

The experience of many countries has shown that woman suffrage is a question on which it is peculiarly difficult to join square issue. In France, there is encountered the same complexus of inertia, prejudice, and argument good and bad out of the welter and cross-purpose of which woman suffrage has emerged wholly or partially successful in most civilized countries. French women in their propaganda do not fail to deal by advocacy or refutation with the various contentions on both sides; and, as an argument of fact and example, a striking poster shows a map of Europe where the few countries without woman suffrage are marked in black, and where amongst them France is the principal dark spot. The situation in France, of course, differs in degree from that of other countries; and it is perhaps not too much to risk over-simplification in a complex state of affairs to single out one important and interesting element.

THE RELIGIOUS ISSUE

Students of French internal politics are aware of the predominant part played by the religious issue in the affairs of the country. It is therefore not surprising to find that a strong force against woman suffrage, even in the minds of many who are otherwise favorable to the feminist cause, is the fear that undue influence would be exercised on women voters by the priests. The sober reflection that experience has shown that women usually vote like their husbands is largely offset by the contention that something like one-third of the women of France are without husbands. In any event, by what is a curious reversal in view of the past and of the situation in some other countries, the clericals have organized and support a strong movement for woman suffrage. Such a consideration is of great weight in provincial France, especially in many rural areas. If one talks of tolerance to a politician from such a region, tolerance is merely construed by him to mean indifference; and history and everyday experience seem to him to require that he fight facts so vigorously as to leave little time or interest for theory. Part of the senate may be influenced by the account in the classics of woman's proper position; but the considerations just mentioned may be regarded as the determining factor with the upper chamber's considerable rural and radical element. At the same time, many anticlericals of an urban and industrial flavor, interested in and acquainted with laboring women, envisage the problem in a different manner. Thus, anti-clericalism is in a specific case subordinated to economic considerations; and these considerations, with time as an aid, are in the specific case likely ultimately to prevail.

COURTS RULE AGAINST WOMEN IN MUNICIPAL ELECTIONS

In the municipal elections of 1925, feminine candidates offered themselves in all the eighty quarters of Paris, and some ten communists amongst them were elected. Judicial decision, however, not only annulled these elections, but held that it is illegal for women candidates to offer themselves for election. With a certain amount of waste effort thus eliminated, the feminist attack has become more concentrated and direct. The practical aim of the feminists is everywhere apparent. They are interested in municipal councils favorable to woman suffrage because they are interested in a senate favorable to woman suffrage.

In France, where *enquêtes* are undertaken on nearly every conceivable subject, the suffragists have naturally not neglected this institution. A distinguished and able suffragist not long since pushed such an investigation right into the senate, the stronghold of anti-feminism. Her general conclusion would seem to have given to the strategy and tactics of the feminists their future direction. Without bitterness or rancor, she concluded that it was time wasted to try to persuade the majority of the present senate. The solution is to secure a different majority. It is a simple plan, and one almost certainly destined to be ultimately successful.

MANAGER CITIES IN ACTION

V. GRAND RAPIDS AND KALAMAZOO, MICHIGAN

BY ERNEST S. BRADFORD

Grand Rapids

Just as the kind of council-manager government which developed in Cleveland, Ohio, has been dubbed the "strong-manager" type, so that of Grand Rapids, Michigan, has been called the "strong-council" type. For the council has played a much larger part in all phases of governmental activity in Michigan's "furniture center" than in most of the other cities whose executive head is called a manager. This is due, as it was in Cleveland, to the character of the first managers and the make-up of the first councils elected under the manager charter. Cleveland drew in W. R. Hopkins a strong, active, aggressive type of promoter-manager, eager to drive ahead, and willing to accept responsibility, while its first council lacked unity of leadership, initiative and civic foresight although some individual members had plenty of these qualities. As a result, Hopkins took an active hand in forming the policies of the city. Under the recently-appointed new manager this situation may possibly have changed. Cincinnati, on the other hand, exemplifies the community in which the council and the manager have each kept on its own side of the fence, the former fixing policies, while Manager Sherrill carried them out promptly and efficiently. Grand Rapids, Michigan, the third type, drew as its first executive the city manager of a nearby city, whose lack of experience and unwillingness to assume responsibility forced the council to take the lead. He resigned at the end of his first year.

"This was one factor which started the new form of government off on the wrong foot," said the editor of the Grand Rapids *Herald;* and the second manager, Fred Locke, a local man, who had been a department head under the first manager, was content to let the council continue to carry the lion's share of responsibility. An additional reason for this situation is the peculiar provision of the city charter under which the council (commission) is given power to appoint the city attorney, city clerk, the city treasurer and three assessors; while to the manager is delegated the appointment of the heads of the other departments, public service, public safety, public welfare, and the purchasing agent. The manager's power of appointment is thus more limited than under many other manager charters, and the vesting of both "legislative and administrative powers" in the commission (council) seems to have been an additional factor in restricting the initiative of the second manager.

The manager form displaced in Grand Rapids a mayor and twenty-four councilmen, two from each of twelve wards. Ellis, a picturesque mayor in the latter years of mayor-council government, held office for ten years and was popular except with those who looked askance at his former record as gambler and race-track man. The manager charter became effective in May, 1917, and Locke, the second manager, held office for eleven years, from May 1, 1918, to May 1, 1929.

The city commission, as the council is called, consists of seven members, one of whom is elected as mayor. At first, all the commissioners were elected at large, as is generally the case in manager cities, while the mayor was selected by his colleagues of the commission or council. More recently the charter was changed to provide for the election at large of the mayor-commissioner, while two councilmen are elected from each of three large districts, the argument being that in so large a city—Grand Rapids had 137,000 population in 1920—some local break-up was desirable without returning to the evils of the old small-ward system.

The commission carries on its work by means of two principal committees, one on legislation and the other on administration. These two committees take the place of thirteen under the old form. The commission meets on two evenings a week, Monday and Thursday, and each member is paid $1,200 a year, while the mayor who is the ceremonial head of the city, presiding at banquets and extending the official "glad hand" to all comers, receives $1,500. On the evening on which I attended the council meeting, the mayor was absent from the city hall, welcoming the Grand Army of the Republic at a nearby auditorium. The council meeting was businesslike and orderly. Pending business was dispatched promptly; the complaint of two citizens who appeared in respect to a street grade was referred to the city engineer, who was present, and who promised action on the following morning; and the meeting adjourned.

Inquiry as to the character and stamp of the councils elected under the manager charter disclosed the fact that higher grade men have been chosen, because of the non-partisan nature of elections. There were, however, some good men in the old council. The city is overwhelmingly Republican in National elections, but this did not prevent the election of Edwin F. Sweet, Democrat and assistant secretary of commerce under President Wilson, as one of the council. The smaller body and their non-partisan and businesslike methods have enabled the city to get a good many things done promptly which in former days had to wait months and years while logrolling blocked favorable action.

The rejection, some years previously, of a large tract of land, offered to the city by a woman of means as an addition to the city's park system was cited to me as an example. "This tract," said one of the council, "was offered us at $16,000, a very low sum for the ground. It adjoined John Ball Park, and would have made a valuable addition to that park, and a good connecting link with Lincoln Park nearby. A number of ward councilmen opposed the plan, on the ground that their constituents were against adding any more land to John Ball Park until park facilities were provided for their own wards. There was no one to look after the interests of the city as a whole and the plan to acquire the new park land failed."

Two important achievements under the manager plan have been the building of a viaduct across railroad tracks in the city, in meeting the cost of which both city and railroad coöperated; and the building of a large intercepting sewer on the site of the old power canal. These two long-delayed and much-needed improvements were proposed long ago, but could not be put through until the manager charter was in force, when with the active help of the mayor they were finally accomplished.

In the spring of 1929, George Welsh, a hard-headed politician who was formerly a member of the state legislature and lieutenant governor for one term, succeeded, after several years of fierce attack on the financial management of Mayor Swarthout, the city commission and Manager Locke, in getting four of the seven places on the commission filled by his supporters; and Welsh was then chosen manager in place of Locke.

In the spring of 1930, Swarthout lost the position of mayor by a narrow majority (13,308 to 14,222). His successor is John D. Karle, a former city commissioner who was known to favor Welsh, and two other Welsh-supported candidates were elected to the commission. This gives Welsh political control of the city. While nominally manager during the past year he has served as a "dollar a year" man, turning over his salary to his assistant manager.

This marks the entry of a new type of manager into a situation which neither the former manager nor the commission was strong enough or sufficiently astute politically to control. After eleven years of manager government, a political chief has seized upon what seems to have been the financial weakness of the previous administration and has come into power on that issue. The strong-council type of manager government appears to have been replaced by the strong-manager type, and its development will be watched with great interest. Civic leadership seems to go to the man who understands best the political psychology of his electorate, whether he be called mayor, manager, or boss.

KALAMAZOO

Kalamazoo, with 48,487 population in 1920, is a middle-sized city with manufacturing and farming interests—paper mills, stove works and printing plants, vying with celery-raising in the adjoining black-bottom lands. The city has diverse elements in both its population and its business activities, and has had a lively lot of activities in its governmental as in its commercial life. In the dozen years of its experience with council-manager government, since April, 1918, it has had four city managers, an election on changing back to the aldermanic form, which was defeated in 1921 by a vote of 2,328 for to 2,952 against, and two elections on the recalling of certain councilmen (commissioners). Neither of the two men was recalled.

The first man selected as city manager, Harry H. Freeman, had been trained in municipal affairs and had come to Kalamazoo as the paid secretary of the organization which was sponsoring the manager charter.

He proved to be a most capable executive, and was manager from April, 1918, until June 1, 1921, when he resigned to go to Europe as the representative of a large manufacturing company whose head had been prominent in the movement for the new charter. Clarence L. Miller, his assistant and director of public utilities, took his place as manager, and served very acceptably for four years until October 1, 1925. Then arose the Ku Klux Klan, and the third manager who came in on this issue had a stormy time, resigning after fifteen months of differences of opinion within the council and between council and manager. His place was taken by a well-known local man, Albert Ten Busschen, who had been formerly an alderman, and later assessor and city commissioner. He has been manager since March 1, 1927, and seems to have given satisfaction. I spent a day in Kalamazoo and talked with a number of well-informed men. There is no sentiment in favor of a return to the mayor-council form.

There are seven commissioners (councilmen) who replaced ten ward councilmen. The commission meets every Monday night, and transacts such legislative business as comes up. The manager's recommendations are sought and are given careful attention; the commission then acts as it sees fit. Contrary to the situation in Grand Rapids, it does not attempt to look after administrative details. These it leaves to the manager. A strong first manager, and a second, equally clear in his conceptions of the relations which should exist between manager and council, set a standard which has been followed ever since. "The manager," said Clarence L. Miller, the second manager, in a local statement made in 1925, "is hired to exercise his own judgment as an executive in accomplishing the policies formulated by the council, and to attain success in his employment he must decline to submit to dictation in matters for which the responsibility is solely his." Again, he said: "The city manager should deal frankly and openly with the council as a unit, and not secretly with individual members, and similarly should foster a spirit of coöperation among all the employees of the city administration."

The list of accomplishments under the first seven years of manager rule is rather impressive, including the construction of eight and one-half miles of paving and six miles of storm and sanitary sewers, the installation of a budget system and a new accounting system, the provision of a purchasing agent, the purchase of one hundred acres of river-front property for park purposes and the construction of a public golf course, the renumbering of all buildings, completed in 1925, and in the same year the adoption of a city plan and a special zoning ordinance.

The most striking results of a general character were, I was told, the reduction of national partisanship in local elections, and the prompter and more businesslike proceedings of the governing body. There has been less harmony in the council than in Grand Rapids, partly because of the Ku Klux issue and partly on account of the greater divergence of opinion among the councilmen.

One of two efforts to recall councilmen took place closely following the war, when the heat of controversy was still in the air. One of the councilmen, Paul T. Butler, made certain remarks to which exception was taken by a considerable group, and it was attempted to recall him at an election held April 5, 1920. The public supported him, however, by a vote of 2,344 in favor of recall to 3,708 against. In 1924 occurred the second recall election. The chief of police had been accused of dereliction of duty, but was finally held to be innocent. One of the councilmen who had strongly supported the chief of police had stirred considerable feeling by his statement that he would not believe certain persons under oath. An effort to recall him was defeated at the election November 5, 1924, at which 5,136 persons voted to recall, and 6,266 voted against recall. The opinion of the city was that his offense was not serious enough to warrant removal from the office of councilman.

Any elective officer may be removed by recall under the provisions of the general laws of the state of Michigan, a 25 per cent recall petition being a first requisite. Referendum and initiative procedure may be used, in respect to ordinances, upon petitions, signed by 15 per cent of the "total valid ballots cast for commissioners at the last preceding regular election."

The relatively small vote cast in recent elections for councilmen was explained by a well-informed editor on the ground that the city government (council and manager) commands the confidence of the public to such an extent that there is little popular support of contestants for seats in the city's governing body (council and manager).

The original manager charter contained a provision for proportional representation somewhat similar to that in the Cleveland and Cincinnati charters, but after the first two years a court decision on a taxpayer's suit cast doubt on the constitutionality of this feature and the entire commission resigned, a new commission being elected without reference to proportional representation.

GOVERNMENT FOR THE ST. LOUIS METROPOLIS

BY ISIDOR LOEB

Dean, Washington University

The city and county of St. Louis, divorced for more than a half century, are interested in the possibility of a new union. Thus far, however, they have been unable to agree on the marriage settlement.

Long before the separation of the city and the county in 1876, difficulties had arisen out of the existence of a relatively large city in a county the greater part of whose area was sparsely populated. Divergence of interest existed between the urban and rural elements and conflicts in their common local political relationship were inevitable. It is a curious fact that what appears to be the first concrete manifestation of discontent came from the rural section where, in 1844, there was agitation for the complete separation of city and county. At that time the urban and rural populations were about equal, but the former was increasing far more rapidly than the latter. The movement led to the passage of a resolution by the legislature providing for a sense vote on this question at the next general election. Though the vote was limited to those residing in the county, outside of the city, there was a majority against the proposal and the matter was dropped.

The type of county government, designed for a rural population, was an element in the discordant relations of city and county. As a result repeated demands arose for changes in the form of county government and these secured legislative approval through the passage of at least five special acts during the period from 1841 to 1871.

Finally, in 1871, when the population of the city had increased to more than 310,000, or 88 per cent of the total, it gained control of the county board as a result of an act that provided for one member to be elected by each of four districts in the city and one member by each of two districts embracing all of the rural sections, with a presiding judge to be elected at large.

For a long time citizens of St. Louis had been dissatisfied with the two distinct systems of local government to which they were subjected. It was felt that this condition led to irresponsibility, extravagance, corruption, and political rings. While county government necessitated increased taxation upon residents of the city, the expenditures were largely for the benefit of that part of the county outside of the city. Thus, for example, about one-fourth of the county's revenue was used for roads and bridges in the rural districts.

NEW CONSTITUTION PROVIDES FOR SEPARATION

A demand naturally arose for the separation of the city and county and provision for this was inserted in the new constitution of the state adopted in 1875.

In the constitutional convention all proposals regarding St. Louis and St. Louis County were referred to a special committee consisting of the delegates from that county and the plan agreed upon by them was substantially adopted. It provided for the election by the voters of the city and county of a board of 13 freeholders. This board was authorized to prepare a scheme of separation of the city and county, including an extension of the boundaries of the city, and to draft a charter for the city. This latter provision is the origin of the home-rule charter in the United States.

The two propositions were to be submitted separately to the voters, but both must be approved to give effect to either. For adoption the scheme of separation required a majority of the votes cast in the entire county, while the charter needed a majority of the votes cast in the city.

In determining the boundaries of the city the board took a middle ground between the views of some who were opposed to any expansion and of others who would have incorporated a large amount of additional territory in the county. As finally drawn, the limits were extended so as to embrace a total of 61 square miles, to include the parks and the adjacent territory and to reach the river at convenient points above and below the city.

While the city received all county buildings it assumed all of the existing county debt. Hence the new county, with excellent roads and bridges, a population of about 22,000, an assessed valuation of more than 21 million of dollars, no public debt and greatly reduced needs, would be in a satisfactory condition as compared with other counties in the state.

Under the new plan the city would be, for most purposes, a separate county though there would be no county court nor other county officials whose functions were purely rural or were being performed by city officials.

ELECTION HOTLY CONTESTED

The contest before the voters, which preceded the election on August 22, 1876, was spirited. The political party in control of the county and also the county officeholders were opposed to the scheme of separation, while the city political machine was in opposition to the new charter. The county outside of the city voted four to one against the separation. While charges of fraud were made, it is clear that most of the rural voters resented the plan whereby the county was deprived of nine-tenths of its assessed valuation. There is today some evidence of the survival of this sentiment.

In the city on the face of the returns both propositions carried, but the majority for separation was not large enough to overcome the adverse vote in the rural districts. Charges were made of wholesale frauds in certain city precincts. Judicial proceedings were instituted, and a recount was made by commissioners appointed by the court. As a result of this recount it was finally decided on March 5, 1877, that the scheme of separation and charter had been adopted by majorities of 1253 and 3222 respectively.

While dissatisfaction with the result existed among many in city and county, the successful operation of the new system tended to reduce this, particularly in the city. Most of the new territory that had been incorporated was farm land or sparsely populated. While the population of the city continued to grow rapidly, this was cared for in the orderly, normal manner by new additions to the central settled district. It was many years before any problems arose regarding adequate and desirable locations for homes within the city limits.

The county also increased in population, but this was not of an unusual character until after the beginning of the present century.

Transportation facilities were limited to a few suburban trains, though later trolley lines were extended to a few places. So long as this situation continued the number of suburbanites whose business was in the city would necessarily be limited and there was little temptation to settle in the intervening territory that did not then possess satisfactory transportation facilities.

URBAN POPULATION FLOWS OVER INTO THE COUNTY

The early part of the twentieth century witnessed a change in the situation as regards both city and county. Population had moved westward in the city until it reached the eastern boundary of Forest Park. It then continued in the same direction north and south of the park until it finally came to and overran the limits of the city. This movement was promoted by the World's Fair of 1904, and the removal of Washington University immediately thereafter to its new site facing the western limits of Forest Park. The extension of the city's trolley system facilitated this development. The automobile, however, was the most important factor in bringing about the new conditions and problems. The distance between home and business was no longer conditioned by time consumed in walking, or riding in horse-drawn vehicles or street cars.

The change is reflected in the census returns of 1910. While Kirkwood, Webster Groves and Ferguson continue to increase in population, Maplewood and University City, immediately west of St. Louis, now appear as rapidly growing communities. Central Township, in which they are located, had nearly one-half of the total county population in 1910, having doubled its population during the decade. In 1920, the county had a population of 100,737 of which 55,923 were in Central Township. Maplewood and University City showed large increases, while Clayton, Richmond Heights, and unincorporated districts such as Wellston contributed to the rapid growth of this section. While exact figures will not be available before the 1930 census, it is probable that the county will show a population of about 200,000 of which at least 60 per cent reside in Central Township.

The existence in the county of a large and rapidly increasing urban population, immediately adjacent to but independent of the city of St. Louis, naturally resulted in some serious problems.

The situation was critical in the unincorporated urban areas and constant appeals for relief were made to the state legislature. While the constitution prohibited local or special laws regulating the affairs of counties, the general assembly, under the liberal interpretation of the supreme court, could easily evade this by enacting legislation applicable only to counties that may have a population in excess of 75,000 and that may adjoin a city having a population in excess of 500,000. Much legislation was enacted, but this not infrequently served special interests rather than general welfare. Significant examples of such legislation were acts creating excise and election boards, providing for sewer districts and regulating the filing of plats of subdivisions of land.

MERGER AGITATION BEGUN IN 1904

St. Louisians were affected by these conditions, though it is probable that public sentiment was chiefly aroused by considerations of the strait-jacket in which the city found itself and the resulting unfavorable comparison in population with other large cities. Agitation for a merger of city and county or for some plan that would enable the city to annex portions of the county appears to have begun soon after the World's Fair of 1904. Individuals and associations voiced the demand, and the movement was organized under the leadership of the Million Population Club. Hugh K. Wagner, a prominent member of this organization, was elected a member of the legislature in 1918 and during its session the next year endeavored to secure legislative approval of the necessary measures. His efforts, however, were defeated, largely through the opposition of the county's representatives and political leaders.

The census returns in 1920 which reduced St. Louis from fourth to sixth place in population among American cities led to renewed efforts. State pride was appealed to and finally in 1924 a proposal for a constitutional amendment was submitted by initiative petitions and was ratified by the voters of the state in November of that year. Both the city and county of St. Louis gave large majorities for the amendment.

THE 1924 AMENDMENT

The amendment authorized a board of eighteen freeholders to draft one of three alternative schemes. This board could not come into existence until separate petitions therefor had been signed by registered voters in city and county equal to 3 per cent of the votes cast at the last general election in such districts respectively. After proper filing of the petition the city's nine members of the board were to be appointed by a joint meeting of the mayor and judges of the circuit court of the city, and the county's nine members were to be appointed by a joint meeting of the circuit, probate and county court judges of the county.

The board of freeholders by a majority vote was authorized to draft a plan (1) for consolidating the city and county as a single municipality; or, (2) for the re-inclusion of the city in the county, in which case it could extend its limits into the county; or (3) for the annexation to the city of part of the county. Any scheme adopted by the board was to be submitted to the voters of the city and county at separate elections and would require a majority of the votes cast in each district.

An organization was soon effected for securing the requisite number of signatures to petitions required for bringing the board into existence. These having been filed, the members of the board were appointed on June 5, 1925, and organized on the twenty-fifth of that month.

It was apparent, however, almost from the beginning that there was an irreconcilable difference of opinion between the city and county members. The former preferred and finally submitted a proposal for consolidation of city and county under a centralized city government. This was rejected by the unanimous vote of the county members. Most of the latter preferred the second alternative of having the city become again a part of the county with the right to extend its limits by annexation of unincorporated territory. Some favored a borough plan, though it was doubtful whether this was authorized by the constitutional amendment.

THE CITY'S PLAN SUBMITTED

The latter had limited the existence of the board to one year from its appointment and as its term drew to a close it became apparent that no compromise was possible. Almost at the last moment, one county member voted for the city plan in order that some proposal could be submitted to the voters.

The campaign, before the election which was fixed for October 26, 1926, presented some striking contrasts with that of fifty years before. The advocates were relatively less well organized and in the city considerable apathy prevailed. This may have been due in part to the feeling that the proposal was certain of adoption by the city voters. The total vote in the city was 62,625, only 22 per cent of the registered voters, as compared with a vote of 180,285 in the general election the following week. In the city 8,067 persons cast their votes against the plan.

In the county, on the other hand, there was a spirited and somewhat bitter contest. The opponents were more active and were far better organized. They included the local officials and political organizations in general but embraced as well representative citizens who were not ordinarily active in political affairs.

Some of the cities were proud of their local government and most of them believed their schools were better administered than those of St. Louis. A provision in the plan that farm land should not be taxed for city purposes in excess of one-half of the total rate did not prevent the rural population from being largely opposed to the proposal.

The advocates of the plan in the county were in the main to be found in thickly populated but unincorporated territory adjacent to St. Louis. They included also many among those whose business interests were in St. Louis but who resided in cities located just beyond its limits.

COUNTY VOTES NO

The county voters rejected the plan by a vote of 22,148 to 10,955. In contrast to St. Louis, the interest of the county in the contest is shown by the comparison of this total of 33,103 or 67 per cent of the registered voters, with a vote of 26,443 at the November general election.

The general sentiment in the cities is shown by the fact that Richmond Heights which adjoins St. Louis voted nearly three to one in favor; while Kirkwood and Ferguson, relatively distant, each voted nearly four to one against the proposal; and in Webster Groves, somewhat nearer, the opponents outnumbered the advocates three to one. University City, adjacent to St. Louis, was nearly equally divided, giving an opposition majority of only 70 in a total vote of 3,021. In Clayton, the county seat, but with much territory near St. Louis, the vote was eight to five against.

The feeling engendered by the campaign made it desirable to postpone an early renewal of efforts for the solution of the problems of metropolitan St. Louis. The constitutional amendment, moreover, prohibited the submission of another plan until after the expiration of five years.

PRESENT ACTIVITY

It was felt, however, that preliminary studies should be made with a view of acquainting the public with all of the factors affecting the situation. The meeting of the National Municipal League in St. Louis in November, 1926, and a paper read at that meeting by Professor Thomas H. Reed on Dual Government for Metropolitan Regions, influenced this attitude. Informal conferences were held from time to time and it was finally agreed that the chambers of commerce of the city and of the county should each appoint members of a joint committee to deal with the questions.

It was understood that a comprehensive survey of the entire metropolitan area should be made before any plan was formulated. The funds needed were assured and Professor Reed was secured to conduct the survey. Preliminary work was undertaken in the summer of 1929, and Professor Reed has been serving as consultant since last fall.

It is anticipated that the investigation and study will continue for some months. At the suggestion of Professor Reed, a metropolitan council of 500 has been appointed to study the data and make recommendations. This council will have a number of subcommittees each devoting itself to a special phase of the subject.

The joint committee of the two chambers of commerce appears to favor a federal or borough plan. If this view prevails a constitutional amendment will be necessary and it is hoped that sufficient progress may be made to permit this to be placed on the ballot by initiative petition in time for the election in 1930.

On the other hand there remains strong sentiment in favor of consolidation, and it is too early to forecast the outcome. In general there is complete confidence in Professor Reed, and it may be predicted that the survey will make it possible to arrive at a more intelligent determination of the problem of metropolitan St. Louis.

WATERTOWN POLITICIANS DISMISS CITY MANAGER

BY "OBSERVER"

Watertown, New York

After an unsuccessful effort to dictate to the manager with respect to administrative appointments, a politically minded majority orders his dismissal in face of strong opposition faithful to the theory of manager government. The city's hydro-electric system is involved.

AFTER ten years of operation city manager government is facing a serious test in Watertown, N. Y., because of the attempt of a council majority elected to office last fall to strip the manager of his appointing power and the ultimate discharge of the manager who refused to bend the knee. This council majority sought to establish its right to "suggest" appointments to the city manager. The excuse was that the spirit of city manager government is not violated since the manager can disregard the "suggestion" if he desires. Since the city manager serves only at the will of the council and his service can be terminated by that body at any time it wishes, it is hardly likely, however, that many "suggestions" of the council would be disregarded by any manager desirous of holding his place.

COUNCIL TRIES TO ESTABLISH RIGHT TO DICTATE APPOINTMENTS

Mayor John B. Harris at once condemned the move as one aimed at the whole spirit of city manager government. He contended that "suggestions" of the council were equivalent to directions to its employee, the city manager, and if the right to make such "suggestions" was established the manager to all practical purposes lost the appointing power and the council gained it. This meant a return to the old form of political government and political appointments which the voters of Watertown sought to end when by an immense majority they changed to manager government.

Consequently the mayor ruled the resolution out of order as being contrary to the spirit of the city charter. His position in this respect was sustained by Corporation Counsel W. W. Kelley. The council majority then demanded that a ruling be secured from the attorney general of the state and a resolution to this effect was introduced and passed over the mayor's protest. A committee of three members of the council prepared the question for submission to the attorney general but that official refused to pass upon it, giving as one reason that the matter had not come to him through the Watertown corporation counsel as it should.

The theoretical argument remains unsettled. The practical situation has been met by a majority of council ordering the dismissal of the manager. On the one hand are the three members of the council elected last fall, still claiming that the council ought to have a voice in the making of appointments, and, on the other hand, the mayor and one member of the council contending that the full appointing power should be in the hands of the city manager with the council simply confirming or rejecting such appointments as the city manager made.

City manager government was approved by the voters of the city of Watertown in 1915. Litigation testing the constitutionality of the act providing for a change in city government held up the matter, however, for five years and it was not until January 1, 1920, that the act finally took effect here. Even then the political ring which had previously controlled city appointments refused to concede defeat and through a referendum succeeded in getting before the voters the proposition of changing back to aldermanic government in 1923. In the election that year city manager government was sustained by a two to one vote.

When Watertown adopted manager government the city was in a bad financial condition. Bonds had been refunded time and time again. Watertown's city hall was built 40 years ago, yet not one cent had been paid on the principal, and the city had paid out in interest during those years an amount equal to several times the principal. The water works department was organized in 1853, more than 75 years ago, yet from 1853 to 1916 not one dollar had been paid on the principal of the water department bonds, and the latter year but $5,000 was paid.

When city manager government took effect here the water department had a bonded debt of $321,000. In ten years this debt has been reduced to $10,000 and will be entirely wiped out this year. Every year thousands of dollars of the debts contracted under the old aldermanic system of government are paid off.

THE HYDRO-ELECTRIC POWER CONTROVERSY

The new city government when it took office in 1920 found itself with a valuable hydro-electric power acquired by the city many years ago. Steps were immediately taken to develop this power with the result that four years ago the city completed the construction of a power plant conservatively valued at $2,000,000. For a great many years the Northern New York Utilities has been lighting the streets of Watertown with a lighting system admittedly antiquated and out of date. The city government decided that the people should use their own power to light their streets. A bitter controversy at once developed. A minority, led by the same political group which had so strenuously opposed city manager government, opposed municipal lighting of the streets, but the voters in election and by immense majorities sustained the city administration.

The result is that today Watertown has one of the most complete and modern lighting systems in the state, owned and operated by the city and using city power. The city furnishes light to all its public buildings, including schools, and supplies power to operate the city-owned stone plant which furnishes stone for all street construction in the city. The surplus power is sold to the Northern New York Utilities under a five-year contract and, through the amount received from this surplus, considerably over $100,000 a year comes into the city treasury and is being used to retire the bonds issued to construct the power plant and to buy and install the street lighting system. The power is constantly increasing in value and is one of the great assets that Watertown has today.

Watertown, under manager government, has paved many miles of streets and constructed miles of curbing. It has greatly enlarged and improved its water system, thereby reducing underwriter costs. It has built nearly $2,000,000 worth of schools, including two fine junior high schools. It has a modern airport paid for out of the budget. Its government has been conducted on a businesslike basis, and financial condition of the city is such that its school bonds, disposed of this year, were sold at one of the lowest interest rates recorded for municipal bonds in the state.

POLITICIANS PLAY A SUBTLE GAME

Under the circumstances it was difficult for any group to attack successfully city manager government in this community. The people as a whole were too deeply convinced of its merit to think of returning to the old aldermanic form. So the political group tried a more subtle game. If the city manager could be shorn of power and the right of appointment taken from him, political government could be reinstated at the city hall. Not that this issue was brought to the fore in the campaign last fall. The people would have sensed too quickly that it was a move aimed at city manager government. The campaign was fought out on other issues. Petty grievances against the city manager were stressed and the political group won. Three new councilmen were elected, giving a majority of one on the council of five, and it was soon demonstrated that the council majority had a working agreement and a definite program.

This program, according to one of the majority councilmen, was to replace the city manager and the corporation counsel with men more to the liking of the group in power. Incidentally this councilman was one of the most active of those who a few years ago opposed the city's power and lighting program. The first step was to insist that the council participate in making appointments. It is interesting to note that the whole controversy over appointments came about through the insistence of one of the majority councilmen that the manager appoint a certain man as constable.

Watertown is operated under the so called Plan "C" which is one of the optional forms of municipal government provided by legislative act. This plan vests the legislative powers of the city in the city council. It also provides that the administrative and executive powers of the city, including the power of appointment of officers and employees, are vested in the city manager, as follows: "The administrative and executive powers of the city, including the power of appointment of officers and employees, are vested in an official to be known as the city manager who shall be appointed by the council, and hold office during the pleasure of the council."

Clearly there was no intent that the council should tell or even "suggest" whom the manager should appoint. In fact it was to get away from the political influences which attended the old form of government that city manager government was adopted in Watertown. If the council can participate in appointments, then the council becomes both a legislative and an administrative body which is clearly against the language of the statute. Under section 91 of the article mentioned above the city manager is required to see that "resolutions and by-laws of the council are faithfully executed" and consequently a resolution "suggesting" an appointment could hardly be disregarded.

Statutes creating city manager government generally provide that the council shall not interfere with the city manager in the performance of his duties or in his appointments. The charter of Norfolk, Virginia, for example, goes so far as to say that any member of the council attempting to dictate to the city manager on a matter of city administration shall be guilty of a misdemeanor. The supposition is, of course, that city managers are usually technically trained men, far better qualified to judge the fitness of men for city positions than politicians who may attempt to approach the manager through the council.

All of this was set forth clearly by Mayor Harris in ruling the council appointment resolution out of order. Despite this, it was persisted in, the majority members of the council holding that they were in the position of directors of a corporation and as such had full control over the acts of the manager. The city was deeply agitated by the question, many believing that if the council majority establishes its right to dictate appointments to the city manager it means a return to the old form of political government in all excepting name.

The matter culminated in the summary dismissal of Manager J. Walter Ackerman. No formal charges were preferred against him. The council ignored a petition signed by 2,200 citizens, praying that the question of dismissal be referred to the voters for an advisory opinion. For the time being, the majority of council by the mere force of its votes has won a temporary victory, but who will win the final verdict remains to be seen.

THE BONDED DEBT OF 227 CITIES

AS AT JANUARY 1, 1930

BY C. E. RIGHTOR

Chief Accountant, Detroit Bureau of Governmental Research, Inc.

THE tabulation reports the total gross bonded indebtedness as at January 1, 1930, of 213 cities in the United States and fourteen cities in Canada, with a subdivision of this total into the three general classes by purposes—general public improvements, schools, and utilities; the total sinking fund, with a similar subdivision reported in percentages; the net total bonded debt; the net bonded debt to be retired from taxation (reported as "excluding self-supporting"), total and per capita; and total gross special assessment debt.

This is the eighth annual compilation of the bonded debt of cities, and the set-up is the same as in the previous tabulations. The cities are arranged in the order of the population estimate of the census bureau as at July 1, 1928, no revised estimate having been made by that bureau since that date on account of the census which is now under way. In the event the bureau made no estimate on that date, a local estimate was accepted.

The primary purpose of the table is to make available in concise and current form the total amount of bonded debt outstanding as a liability against all the property and citizens of each city, and to permit a comparison of these data. Even in this purpose, as has been pointed out in prior commentaries, certain difficulties arise owing to the variation in the structure of our municipal governments and to varying practices in maintaining financial records. This difficulty is illustrated in the various types of municipal organization clothed with the power to incur indebtedness independently of the city government, such as school, park, port, sewer, and other districts, which are usually, although not necessarily, coterminous with the city. As a result, to obtain accurately the facts with respect to any city, it is necessary to refer to the footnotes, in which we have attempted to report essential deviations.

Because the table is restricted to a presentation of the bonded debt, the indebtedness in form of short-term loans, in anticipation of tax levies or bond issues, etc., is not included. This amount is a variable total at any given date during the year, and in many cases, owing solely to local circumstances, would serve to impair the value of the figures reported. After tax-paying time tax anticipation loans are negligible, and advances against bond issues are ultimately reflected in the debt statement. Nor is an attempt made to indicate the proportion of the county debt—except in instances of city-county consolidation—and of state debt which stands as a liability against each city. The census bureau, in its more exhaustive report, "Financial Statistics of Cities," which is compiled annually, recognizes a proportion of county debt for the larger cities.

SELF-SUPPORT AND SPECIAL ASSESSMENT DEBTS

Municipal bonds of a long-term nature usually state upon their face that the faith and credit of the entire city are behind them. This means that the taxing power is their guarantee, and their retirement from this source is assured. The main exceptions are certain municipally owned and operated utilities, the bonds for which, or the actual financial practice, provide that the revenues shall be applied to debt service. The extent of such issues suggests the separate reporting of this form of debt, and it is shown in the column "Excluding self-supporting." In other words, except for self-supporting bonds, it may be assumed that all bonded debt will be retired from taxation. Even to this general rule there are exceptions, some cities not availing themselves of the distinction.

The problem of reporting special assessment debt was discussed last year, and it is unnecessary to repeat here, except that whether or not such bonds are legally a debt of the entire property of the city, they constitute in the aggregate a financial liability of the citizens and their property. In so far, therefore, as this form of debt has been reported separately, it is so tabulated. In many cases, owing to the acceptance of general municipal liability for this type of bond, no distinction is made as against its being a general public improvement. This results in a higher per capita net debt for such cities. It will be noted, incidentally, that the per capita debt of cities reported in the tabulation is that of net bonded debt excluding self-supporting debt, and does not include special assessment indebtedness.

Attention has been called to the fact that the tabulation, to accomplish its purpose of brevity, must tabulate the figures in a uniform manner, thus disregarding in some instances local legislative or financial provisions which define particularly what shall constitute "gross" or "net" bonded debt and limits. Accurate use of the figures requires that local circumstances be always taken into account.

RANGE IN PER CAPITA DEBT

Analysis of the per capita net debt, excluding self-supporting, discloses a wide range, which merits full consideration as to the reasons therefor. Elgin, with a per capita of $7.04, is lowest, and the figures run up to the highest, $486.83, for Atlantic City. The latter figure, of course, is accounted for at least in part by the population handicap of this resort city. For group I, the range is from $68.24 for St. Louis to $182.19 for Philadelphia; for group II, from $70.14 for Jersey City to $129.94 for Cincinnati; for group III, from $25.17 for Worcester to $182.93 for Yonkers; for group IV, from $9.69 for Springfield, Illinois, to $486.83 for Atlantic City; and for group V, from $7.04 for Elgin to $187.84 for Port Arthur. For the Canadian cities, the range is from $12.84 for St. John to $269.50 for Edmonton.

The weighted average of per capita net non-self-supporting debt is also interesting, as evidenced by the larger census groups. For twelve cities in group I, this average is $112.58. This compares with an average of $103.37 in 1929, for thirteen cities reporting. For eleven cities reporting in group II, the weighted average is $97.13; this compares with an average of $91.88 for twelve cities in 1929. For the Canadian cities, the weighted average for thirteen cities is $117.06; this compares with an average of $109.03 for the same number of cities the year preceding.

TREND OF DEBT

In each group it will be noted that an increase is found. This is due in part to the fact that the population estimates have not increased, but more exactly it signifies that the trend of municipal indebtedness is continuing to increase steadily. True, there are exceptions, and note should be made of the evidence.

In brief, it is found by comparing the present tabulation with that for 1929 that, of 196 cities reporting in both years, 106 cities increased their gross total bonded debt $367,944,730, 84 cities reduced their debt $39,292,280, and six cities had no change. In group I, for example, eleven cities increased, and two reduced their gross debt; in group II, ten increased, and one reduced. In group V, seventeen increased, and thirty-two reduced, but the net increase was $7,400,830. For the Canadian cities, six increased $24,514,460, while the same number reduced $10,531,260, a net gain of $13,983,200.

Regardless of the increased cost of money during 1929, the reports compiled by *The Bond Buyer* indicate that the aggregate sales for the year by States and municipalities were exceeded only in 1924 and 1927. The voters seem to have been more conservative, however, in the total of authorizations approved. Perhaps the urge from Washington for all local governments to promote public works during a period of slackened employment will send 1930 to new peaks.

When the demands upon our cities are considered, is this growth in debt to be marveled at? New York, for example, is building subways costing hundreds of millions and planning others to cost as much, a triborough bridge, a midtown vehicular tunnel, a bridge across the Hudson, an elevated highway, seven 1000-foot piers, nineteen immense incinerators, a sewage disposal plant, etc., not to mention millions for schools, parks and other ordinary facilities. A recent court decision makes it appear that Chicago will actually carry out her plans for sewage disposal, costing many millions. San Francisco voters authorized a bond issue of $41,000,000 to permit the city to enter the field of municipal ownership of water. The Canadian cities, however, easily lead the field when it comes to diversity of capital investments, as the tabulation shows. Let us hope that old-age pensions and employment insurance will not be financed by bonding.

At any event, with an increasing percentage of the tax dollar being required for debt service, cities can well afford to weigh their bonding policies. On this subject Dr. Studensky's monograph, "Public Borrowing," just issued in the National Municipal League Series, offers good reading to those officials and taxpayers who are interested in being disillusioned of unsound borrowing policies and in framing sound ones. His proposal for combining borrowing with taxation will be an interesting experiment somewhere.

For those who would compare debt with the property valuation behind it, it should be stated that the assessed valuations of the cities were reported in the tabulation of tax rates published in the REVIEW of December, 1929. Further, an estimate of the ratio of assessed to true value was included, as a basis for computing actual property values.

Responses to this, the eighth annual compilation, were encouraging in an off year. Requests were sent to 288 cities in the United States and eighteen in Canada. The coöperation of the public officials who make it possible is appreciated. With accurate listing of cities in order of population according to the current census, it may be anticipated that a large response to next year's questionnaire will be forthcoming.

BONDED DEBT OF 227 CITIES AS AT JANUARY 1, 1930

COMPILED BY THE DETROIT BUREAU OF GOVERNMENTAL RESEARCH, INC.

From Data Furnished by Members of the Governmental Research Association, City Officials, and Chambers of Commerce

City	Census July 1, 1928	Gross Bonded Debt				Sinking Fund				Net Bonded Debt			Total gross special assessment debt	No.
		General improvement	Public school	Public utility	Total	Total	General improvement (per cent)	Public school (per cent)	Public utility (per cent)	Total	Excluding self-supporting	Per capita excluding self-supporting		
GROUP I *Population 500,000 and over*														
1. New York, N. Y.[1]	6,017,500	$776,666,414*	$305,052,056*	$808,276,892*	$1,889,995,362	$364,641,385	60	..	40	$1,525,353,977	$........	$......	$78,898,000	1
2. Chicago, Ill.[2]	3,157,400	265,731,550	N.	7,460,500	273,192,050	N.	..	..	..	273,192,050	273,192,050	86.52	N.	2
3. Philadelphia, Pa.[3]	2,064,200	498,471,900	65,911,000	....	564,382,900	128,293,083	85	15	..	436,089,817	376,089,817	182.19*	N.	3
4. Detroit, Mich.[4]	1,378,900	127,762,667	70,190,350	86,853,914	284,806,931	29,383,911	39	29	32	255,423,020	195,055,985	141.45	23,597,938	4
5. Los Angeles, Calif.[5]	1,300,000	46,982,687	51,740,738	107,477,450	206,200,875	3,313,669	..	..	100	202,887,206	122,617,925	94.32	11,055,000	5
6. Cleveland, Ohio[6]	1,010,300	81,801,230	27,198,000	34,047,500	143,046,730	18,087,312	71	17	12	124,959,418	96,101,682	95.12	15,063,229	6
7. St. Louis, Mo.	848,100	62,244,000	2,079,000	11,132,000	75,455,000	8,088,785	71	9	20	67,366,215	57,878,265	68.24	N.	7
8. Baltimore, Md.	830,400	122,653,350	25,742,923	32,259,870	180,656,143	32,408,195	88*	3	9	148,247,948	110,276,031	132.80	....	8
9. Boston, Mass.[7]	799,200	79,599,151	9,285,800	54,208,700	143,093,651	42,787,866	63	12	25	100,305,785	56,677,588	70.91	....	9
10. Pittsburgh, Pa.	673,800	49,528,900	23,933,269	9,852,600	83,314,769	3,311,511	38	51	11	80,003,258	70,509,363	104.64	6,540,719	10
11. San Francisco, Calif.[8]	585,300	28,301,400	14,975,000	94,455,000	137,731,400	N.	..	..	..	137,731,400	69,311,400	118.42	....	11
12. Buffalo, N. Y.	555,800	47,760,980	30,579,064	17,154,720	95,494,764	7,450,785	36	..	64	88,043,979	75,623,900	136.06	1,374,263	12
13. Washington, D. C.	552,000	No bonded	debt											13
14. Milwaukee, Wis.[9]	544,200	38,408,601	9,771,500	45,000	48,225,101	3,774,201	77	22	1	44,450,900	44,420,900	81.62	N.	14
GROUP II *Population 300,000 to 500,000*														
15. Newark, N. J.	473,600	$49,522,000	$18,573,200	$20,850,000	$88,945,200	$14,713,630	59	23	18	$74,231,570	$53,381,570	$112.71	$7,950,000	15
16. Minneapolis, Minn.[10]	455,900	22,610,514	22,412,044	4,035,000	49,057,558	5,782,463	65	29	6	43,275,095	39,600,539	86.86	13,003,664	16
17. New Orleans, La.[11]	429,400	49,496,000	6,635,000	44,169,000	100,300,000	3,060,978	98	2	..	97,239,022	53,070,022	123.59	10,732,540	17
18. Cincinnati, Ohio[12]	413,700	56,055,104	15,292,000	43,619,230	114,966,334	37,199,592	57	7	36	77,766,742	53,755,793	129.94	4,444,842	18
19. Kansas City, Mo.	391,000	20,304,120	21,562,500	13,120,000	54,986,620	11,812,529	30	51	19	43,174,091	32,274,130	82.54	750,000	19
20. Seattle, Wash.	383,200	(Not	reporting)											20
21. Indianapolis, Ind.[13]	382,100	17,498,530	11,191,000	N.	28,689,530	1,503,602	81	19	..	27,185,928	27,185,928	71.15	8,202,237	21
22. Portland, Ore.[14]	340,000	24,209,877	9,755,152	19,621,000	53,586,029	6,732,179	47	..	53	46,853,850	30,842,807	90.71	8,060,176	22
23. Louisville, Ky.	329,400	18,303,900	9,966,400	1,079,000	29,349,300	4,416,674	80	20	N.	24,932,626	23,853,626	72.42	....	23
24. Rochester, N. Y.	328,200	23,987,500	11,638,890	12,201,000	47,827,390	6,417,018	24	13	63	41,410,372	33,280,554	101.40	12,821,000	24
25. Jersey City, N. J.[15]	324,700	20,354,000	15,493,500	19,237,755	55,085,255	17,932,529	66	8	26	37,152,726	22,775,536	70.14	963,833	25
26. Toledo, Ohio	313,200	26,431,491	13,112,000	1,682,000	5,112,373	....	78	22	..	37,795,118	36,113,118	115.30	3,790,116	26
GROUP III *Population 100,000 to 300,000*														
27. Columbus, Ohio[16]	299,000	$20,837,230	$11,206,250*	$9,860,000	$41,903,480	$16,440,520	80	20	..	$25,462,960	$........	$......	$........	27
28. Denver, Colo.[17]	294,200	14,113,600	10,002,000	21,426,600	45,042,200	276,966	68	..	32	44,765,234	23,926,569	81.34	9,364,300	28
29. Providence, R. I.	286,300	18,689,000	9,450,000	19,413,000	47,552,000	15,070,747	50	13	37	32,481,253	18,684,034	65.26	N.	29
30. Oakland, Calif.	274,100	(Not	reporting)											30
31. St. Paul, Minn.	260,000	16,313,000	9,546,000	7,056,000	32,915,000	3,697,689	84	..	16	29,217,311	22,758,332	87.53	7,900,000	31

BONDED DEBT OF 227 CITIES AS AT JANUARY 1, 1930—*Continued*

City	Census July 1, 1928	Gross Bonded Debt				Sinking Fund				Net Bonded Debt			Total gross special assessment debt	No.
		General improvement	Public school	Public utility	Total	Total	General improvement (per cent)	Public school (per cent)	Public utility (per cent)	Total	Excluding self-supporting	Per capita excluding self-supporting		
GROUP III—*Continued* *Population 100,000 to 300,000*														
32. Atlanta, Ga.	255,100	$7,283,000	$6,517,000	$3,575,000	$17,375,000	$3,665,902	78	6	16	$13,709,098	$10,881,674	$42.66	$2,133,400	32
33. Akron, Ohio	225,000	22,371,259	9,341,091	11,182,000	42,894,350	2,358,271	26	17	56	40,536,079	30,686,285	136.38	6,701,878	33
34. Omaha, Neb.[18]	222,800	14,569,817	10,026,000	11,392,000	35,987,817	4,833,128	3	15	82	31,154,689	23,736,631	106.54	6,109,000	34
35. Birmingham, Ala.	222,400	7,302,000	10,486,000	101,000	17,889,000	855,940	..	..	..	17,033,060	16,932,060	76.13	5,962,000	35
36. San Antonio, Texas	218,100	18,107,000	5,007,500	6,778,000	29,892,500	1,187,050	57	34	9	28,705,450	22,032,784	101.02	N.	36
37. Dallas, Texas	217,800	15,065,500	7,584,550	10,490,000	33,140,050	1,919,042	49	17	34	31,221,008	21,389,435	98.21	....	37
38. Syracuse, N. Y.	199,300	14,143,407	9,748,361	6,178,500	30,070,269	N.	..	..	..	30,070,269	23,891,769	119.88	4,681,500	38
39. Worcester, Mass.	197,600	5,172,000	914,000	4,570,400	10,656,400	1,996,425	56	..	44	8,659,975	4,972,667	25.17	N.	39
40. Richmond, Va.[19]	194,400	24,757,685	5,540,395	7,597,550	37,895,630	9,950,385	68	13	19	27,945,245	20,347,695	104.67	N.	40
41. Memphis, Tenn.	190,200	15,678,000	5,038,000	5,919,000	26,635,000	1,063,196	56	44	..	25,571,804	19,652,804	103.33	619,000	41
42. New Haven, Conn.	187,900	11,426,000	522,000	N.	11,948,000	1,078,334	100	..	..	10,869,666	10,869,666	57.85	....	42
43. Dayton, Ohio[20]	184,500	9,898,914	7,272,665	5,639,000	22,810,579	2,908,545	80	..	20	19,902,033	14,835,092	80.41	1,631,659	43
44. Norfolk, Va.[21]	184,200	17,672,726	5,982,051	15,641,723	39,296,500	6,312,484	60	..	40	32,984,016	19,854,358	107.79	N.	44
45. Youngstown, Ohio	174,200	(Not	reporting)											45
46. Hartford, Conn.	172,300	11,888,000	7,823,799	4,725,000	24,436,799	3,996,826	52	26	22	20,439,973	18,575,199	107.81	....	46
47. Houston, Texas	171,000	(Not	reporting)											47
48. Fort Worth, Texas	170,600	14,393,000	4,869,500	5,596,000	24,858,500	2,501,426	92	2	6	22,357,074	17,458,750	102.34	N.	48
49. Tulsa, Okla.	170,500	(Not	reporting)											49
50. Grand Rapids, Mich.	164,200	5,567,000	4,772,250	3,626,000	13,965,250	2,050,864	52	..	48	11,914,386	9,282,080	56.53	6,049,100	50
51. Bridgeport, Conn.	160,000	10,762,000	4,311,000	N.	15,073,000	N.	..	..	..	15,073,000	15,073,000	94.21	....	51
52. Miami, Fla.[22]	156,700	18,192,000	8,938,000	3,255,000	30,385,000	1,459,030	75	17	8	28,925,970	27,860,970	177.80	11,300,000	52
53. Des Moines, Iowa	151,900	5,797,377	8,046,500	5,430,000	19,273,877	542,638	..	..	100	18,731,239	13,843,877	91.14	....	53
54. Springfield, Mass.	149,800	7,744,500	2,353,500	4,931,000	15,029,000	142,000	100	..	..	14,887,000	9,956,000	66.46	N.	54
55. Flint, Mich.	148,800	7,034,500	9,895,500	2,934,500	19,864,500	1,318,552	29	21	50	18,545,948	16,264,762	109.31	3,380,549	55
56. Oklahoma City, Okla.	148,000	12,550,000	6,108,000	6,667,000	25,325,000	6,124,217	42	22	36	19,200,783	14,738,033	99.58	5,506,405	56
57. Paterson, N. J.	144,900	(Not	reporting)											57
58. Scranton, Pa.	144,700	2,580,000	5,091,000	N.	7,671,000	739,153	20	80	..	6,931,847	6,931,847	47.90	983,000	58
59. Jacksonville, Fla.	140,700	(Not	reporting)											59
60. Nashville, Tenn.[23]	139,600	11,319,000	1,699,000	3,895,000	16,913,000	1,084,423	87	13	..	15,828,577	11,933,577	85.48	....	60
61. Trenton, N. J.	139,000	9,507,910	5,505,050	844,000	15,856,960	3,478,405	61	26	13	12,378,555	11,997,761	86.31	....	61
62. Salt Lake City, Utah	138,000	2,984,500	4,909,000	2,802,700	10,696,200	N.	..	..	..	10,696,200	7,893,500	57.20	....	62
63. Camden, N. J.	135,400	7,349,145	3,951,250	1,279,300	12,579,695	2,492,993	68	22	10	10,086,702	8,807,402	65.05	3,044,000	63
64. Erie, Pa.	130,000	(Not	reporting)											64
65. Wilmington, Del.[24]	128,500	5,735,700	1,106,000	5,000,000	11,841,700	626,227	95	..	5	11,215,473	6,215,473	48.37	N.	65
66. Cambridge, Mass.	125,800	(Not	reporting)											66
67. Fall River, Mass.	124,300	6,467,500	3,230,000	759,000	10,456,500	1,485,789*	64*	4	32	8,970,711	8,686,711	69.89	N.	67
68. Yonkers, N. Y.	121,300	13,939,613	8,250,100	3,048,000	25,237,713	N.	..	..	..	25,237,713	22,189,713	182.93	....	68
69. Albany, N. Y.[25]	120,400	10,835,422	5,317,830	9,466,500	25,619,752	1,631,385	100	..	..	27,645,367	18,178,867	150.99	3,657,000	69
70. San Diego, Calif.	119,700	4,282,891	4,783,275	11,759,884	20,826,050	168,881	..	..	100	20,657,169	8,897,285	74.33	....	70
71. New Bedford, Mass.	119,040	7,014,000	2,975,000	1,238,000	11,227,000	790,635	92	2	6	10,436,365	9,246,365	77.67	N.	71
72. Kansas City, Kan.[26]	118,300	3,455,356	2,508,500	6,428,000	12,391,856	1,568,876	..	..	100	10,822,980	5,963,856	50.41	2,223,871	72

BONDED DEBT OF 227 CITIES AS AT JANUARY 1, 1930—*Continued*

City	Census July 1, 1928	Gross Bonded Debt				Sinking Fund				Net Bonded Debt			Total gross special assessment debt	No.
		General improvement	Public school	Public utility	Total	Total	General improvement (per cent)	Public school (per cent)	Public utility (per cent)	Total	Excluding self-supporting	Per capita excluding self-supporting		
Group III—*Continued* *Population 100,000 to 300,000*														
73. El Paso, Texas	117,800	$3,847,000	$2,415,000	$1,551,000	$7,813,000	$1,422,182	52	29	19	$6,390,818	$4,739,818	$40.24	$574,500	73
74. Duluth, Minn.[27]	116,800	4,577,333	3,925,000	3,146,000	11,648,333	42,767	100	..	..	11,605,566	7,680,566	65.76	545,000	74
75. Canton, Ohio	116,800	6,114,787	6,481,000	1,481,600	14,077,387	3,272,420	86	14	..	10,794,967	9,313,367	79.74	2,937,494	75
76. Elizabeth, N. J.	116,000	1,762,500	5,020,350	N.	6,782,850	555,855	..	100	..	6,226,995	6,226,995	53.68	5,921,184	76
77. Reading, Pa.	115,400	4,086,000	6,141,400	936,000	11,163,400	205,239	51	1	48	10,958,161	10,024,447	86.87	53,600	77
78. Tampa, Fla.[28]	113,400	7,583,000	5,209,500	3,003,000	15,795,500	1,281,665	65	31	4	14,513,835	11,510,835	101.51	4,003,000	78
79. Lowell, Mass.	111,000	(Not	reporting)											79
80. Tacoma, Wash.[29]	110,500	3,524,500	2,442,000	10,160,495	16,126,495	1,685,359	64	0	36	14,441,136	4,896,800	44.31	2,154,736	80
81. Spokane, Wash.	109,100	3,031,600	1,687,000	1,499,000	6,217,600	2,086,209	43	37	20	4,131,391	3,040,912	27.87	1,544,561	81
82. Long Beach, Calif.[30]	108,000	9,199,917	8,580,285	5,376,000	23,156,202	541,588	6	87	7	22,614,614	17,238,614	159.62	N.	82
83. Lynn, Mass.	105,500	3,210,650	2,533,250	1,146,000	6,889,900	591,878	16	14	70	6,298,022	5,570,691	52.80	....	83
84. Knoxville, Tenn.	105,400	12,492,605	2,545,000	4,999,913	20,037,519	1,002,223	87	0	13	19,035,296	14,035,382	133.16	3,051,722	84
85. Fort Wayne, Ind.	105,300	907,000	3,760,000	121,000	4,788,000	N.	..	..	..	4,788,000	4,667,000	44.32	....	85
86. Utica, N. Y.	104,200	7,944,140	1,938,290	N.	9,982,430	1,151,568	100	..	..	8,830,862	8,830,862	84.75	1,076,500	86
87. Somerville, Mass.	102,700	(Not	reporting)											87
88. Waterbury, Conn.	100,000	8,276,000	1,888,000	7,685,000	17,849,000	145,416	100	..	..	17,703,584	10,018,584	100.19	N.	88
Group IV *Population 50,000 to 100,000*														
89. Savannah, Ga.	99,900	$4,570,500	N.	$220,000	$4,790,500	$226,500	100	..	..	$4,564,000	$4,344,000	$43.48	$560,081	89
90. Hamtramck, Mich.	99,800	2,883,788	$2,910,000	N.	5,793,788	574,497	60	40	..	5,219,291	5,219,291	52.30	358,111	90
91. Allentown, Pa.	99,400	3,198,500	4,276,700	300	7,475,500	701,186	20	80	..	6,774,314	6,774,014	68.15	563,700	91
92. Wichita, Kan.	99,300	3,889,341	1,392,500	N.	5,281,841	93,500	..	100	..	5,188,341	5,188,341	52.25	3,375,388	92
93. Evansville, Ind.	98,100	1,317,300	2,693,100	1,595,000	5,605,400	194,168	78	0	22	5,411,232	4,549,232	46.37	....	93
94. Bayonne, N. J.	95,300	(Not	reporting)											94
95. Lawrence, Mass.	93,500	2,877,500	1,436,500	268,000	4,582,000	36,702	..	..	100	4,545,298	4,522,000	48.36	448,500	95
96. Schenectady, N. Y.	93,300	5,354,100	2,593,500	771,000	8,718,600	100,409	97	..	3	8,618,191	7,849,937	84.14	1,421,207	96
97. Wilkes-Barre, Pa.	91,900	3,170,000	595,000	N.	3,765,000	147,267	73	27	..	3,617,733	3,617,733	39.37	480,900	97
98. Gary, Ind.	89,100	2,652,296	3,434,000	N.	6,086,296	121,359	100	..	..	5,964,937	5,964,937	66.95	5,740,072	98
99. Harrisburg, Pa.	86,900	(Not	reporting)											99
100. Highland Park, Mich.[25]	86,400	2,768,400	4,445,000	1,283,626	8,497,026	3,186,764	65	..	35	5,310,262	4,026,636	46.60	267,050	100
101. South Bend, Ind.	86,100	1,400,000	3,750,000	990,000	6,140,000	260,557	72	0	28	5,879,443	4,963,991	57.65	7,380,740*	101
102. Manchester, N. H.	85,700	3,084,500	1,754,500	118,000	4,956,500	100,000	100	..	..	5,056,500	4,938,500	57.63	....	102
103. Peoria, Ill.	84,500	1,585,000	486,000	N.	2,071,000	25,000	..	100	..	2,046,000	2,046,000	24.21	1,795,150	103
104. Rockford, Ill.	82,800	421,400	1,125,000	275,000	1,821,400	183,000	..	..	..	1,638,400	1,638,400	19.79	3,923,390	104
105. Charlotte, N. C.[25]	82,100	5,462,642	1,854,000	1,461,358	8,778,000	594,592	83	..	17	8,183,408	6,372,050	77.64	....	105
106. Shreveport, La.	81,300	5,203,050	1,910,000	2,867,500	9,980,550	356,460	30	58	12	9,624,090	9,624,090	118.38	N.	106
107. Sioux City, Iowa	80,000	(Not	reporting)											107
108. Winston-Salem, N. C.	80,000	(Not	reporting)											108
109. Lansing, Mich.	79,600	1,684,000	5,400	4,645,300	6,334,700	1,583,081	12	..	88	4,751,619	1,504,963	18.90	605,000	109
110. Little Rock, Ark.	79,200	2,343,000	1,916,500	N.	4,259,500	72,554	100	..	..	4,186,946	4,186,946	52.87	3,978,750	110

BONDED DEBT OF 227 CITIES AS AT JANUARY 1, 1930—*Continued*

City	Census July 1, 1928	Gross Bonded Debt				Sinking Fund				Net Bonded Debt			Total gross special assessment debt	No.
		General improvement	Public school	Public utility	Total	Total	General improvement (per cent)	Public school (per cent)	Public utility (per cent)	Total	Excluding self-supporting	Per capita excluding self-supporting		
GROUP IV—*Continued* *Population 50,000 to 100,000*														
111. Portland, Me.[25]	78,600	$3,224,000	$1,992,000	N.	$5,216,000	$682,935	100	..	..	$4,533,065	$4,533,065	$57.67	N.	111
112. St. Joseph, Mo.	78,500	4,261,850	1,440,000	N.	5,701,850	355,372	41	59	0	5,346,478	5,346,478	68.11	....	112
113. Charleston, S. C.	75,900	4,687,000	543,000*	$4,000,000	9,230,000	561,997	14	..	86	8,668,003	5,153,107	67.89	$2,050,000	113
114. Sacramento, Calif.	75,700	5,062,080	5,281,000	3,114,260	13,457,340	N.	..	..	..	13,457,340	13,292,340	175.59	2,664,430	114
115. Saginaw, Mich.	75,600	(Not	reporting)											115
116. Binghamton, N. Y.	74,800	(Not	reporting)											116
117. Racine, Wis.	74,400	(Not	reporting)											117
118. Chester, Pa.	74,200	3,416,000	1,825,000	N.	5,241,000	1,231,990	41	59	..	4,009,010	4,009,010	54.03	428,900	118
119. East St. Louis, Ill.	74,000	(Not	reporting)											119
120. Johnstown, Pa.	73,700	4,892,000	4,630,000*	N.	9,522,000	500,045	100	..	..	9,021,955	9,021,955	122.41	....	120
121. Chattanooga, Tenn.	73,500	12,675,000	2,393,500*	N.	15,068,500	336,558	100	..	..	14,731,942	14,731,942	200.43	1,249,415	121
122. Terre Haute, Ind.	73,500	(Not	reporting)											122
123. Pawtucket, R. I.[25]	73,100	6,075,000	3,160,000	2,271,000	11,506,000	2,674,445	86	..	14	8,831,555	6,916,639	94.62	....	123
124. Springfield, Ohio	73,000	1,975,147	1,334,492	590,000	3,899,639	735,881	97	3	..	3,163,758	2,573,758	35.26	990,575	124
125. New Britain, Conn.	72,800	2,068,000	3,631,000	1,633,000	7,332,000	635,667	58	10	32	6,696,333	5,272,733	72.43	N.	125
126. Troy, N. Y.	72,300	3,505,645	1,208,175	1,420,800	6,134,620	N.	..	..	..	6,134,620	4,713,820	64.31	....	126
127. Passaic, N. J.	71,800	(Not	reporting)											127
128. Cicero, Ill.	71,600	(Not	reporting)											128
129. Lincoln, Nebr.[31]	71,100	616,433	4,552,580	325,600	5,494,613	267,104	21	..	79	5,237,509	5,011,909	70.49	2,436,384	129
130. Hoboken, N. J.	71,000	(Not	reporting)											130
131. Berkeley, Calif.	71,000	958,145	2,322,000	N.	3,280,145	N.	..	..	..	3,280,145	3,280,145	46.20	266,138	131
132. Mobile, Ala.	69,600	(Not	reporting)											132
133. Altoona, Pa.	69,100	1,475,000	3,908,000	706,000	6,089,000	848,824	48	30	22	5,140,176	4,610,107	66.72	2,360,000	133
134. Wheeling, W. Va.	68,660	1,397,500	30,000	2,000,000	3,427,500	397,934	25	..	75	3,029,566	1,029,566	14.99	N.	134
135. Huntington, W. Va.	68,600	1,846,764	1,439,578	N.	3,286,342	N.	..	..	..	3,286,342	3,286,342	47.91	N.	135
136. Niagara Falls, N. Y.	68,300	(Not	reporting)											136
137. Bethlehem, Pa.	67,600	(Not	reporting)											137
138. Quincy, Mass.	67,600	2,086,000	2,492,000	763,000	5,341,000	N.	..	..	..	5,341,000	4,578,000	67.72	179,000	138
139. Springfield, Ill.	67,200	294,000	357,500	487,000	1,138,500	....	..	..	..	1,138,500	651,500	9.69	968,900	139
140. Brockton, Mass.	65,300	1,733,500	548,000	1,549,400	3,830,900	639,443	100	..	..	3,191,457	1,642,057	25.15	....	140
141. East Orange, N. J.	65,000	4,854,500	2,868,245	1,466,000	9,188,745	1,497,566	13	29	58	7,691,179	7,089,094	109.06	2,675,890	141
142. Lakewood, Ohio	65,000	3,543,000	4,344,000*	196,000	8,083,000	878,198	100	..	..	7,204,802	7,008,802	107.83	874,465	142
143. Roanoke, Va.	64,600	4,849,000	2,650,000	N.	7,499,000	908,640	100	..	..	6,590,360	6,590,360	102.02	....	143
144. Union City, N. J.	64,400	(Not	reporting)											144
145. Fresno, Calif.	64,000	595,500	3,805,000	N.	4,400,500	N.	..	..	..	4,400,500	4,400,500	68.76	N.	145
146. Jackson, Mich.	63,700	2,070,229	2,513,000	1,025,375	5,617,604	156,000	82	..	18	5,461,604	4,455,229	69.94	763,500	146
147. Montgomery, Ala.	63,100	(Not	reporting)											147
148. Topeka, Kan.	62,800	3,713,511	928,200	535,000	5,176,711	355,750	63	12	25	4,820,961	4,377,196	69.70	N.	148
149. Pasadena, Calif.	62,100	4,913,808	3,652,082	1,594,342	10,160,232	514,554	28	46	26	9,645,678	8,051,336	129.65	3,381,504	149
150. Portsmouth, Va.[25]	61,600	5,291,500	876,000	2,950,000	9,117,500	1,411,274	37	..	63	7,706,226	5,649,336	91.71	N.	150
151. Pontiac, Mich.	61,500	4,140,750	4,323,463	1,765,500	10,229,713	957,792	17	77	6	9,271,921	7,506,421	122.06	2,753,700	151

BONDED DEBT OF 227 CITIES AS AT JANUARY 1, 1930—*Continued*

City	Census July 1, 1928	Gross Bonded Debt				Sinking Fund				Net Bonded Debt			Total gross special assessment debt	No.
		General improvement	Public school	Public utility	Total	Total	General improvement (per cent)	Public school (per cent)	Public utility (per cent)	Total	Excluding self-supporting	Per capita excluding self-supporting		
GROUP IV—*Continued* *Population 50,000 to 100,000*														
152. Macon, Ga.	61,200	$1,115,000	$778,000*	$440,000	$2,333,000	N.	..	..	..	$2,333,000	$2,333,000	$38.12	$1,893,000	152
153. Holyoke, Mass.	60,400	2,134,000	N.	2,090,000	4,224,000	$273,007	17	83	..	3,950,993	2,134,000	35.33	2,090,000	153
154. Covington, Ky.	59,000	(Not	reporting)											154
155. Lancaster, Pa.	58,300	(Not	reporting)											155
156. Cedar Rapids, Iowa	58,200	1,841,501	1,578,000	920,000	4,339,501	N.	..	..	..	4,339,501	3,419,501	58.75	....	156
157. Wichita Falls, Texas	58,025	2,813,500	1,869,000	900,000	5,582,500	417,112	41	28	31	5,165,388	4,394,040	75.73	N.	157
158. Oak Park, Ill.	57,700	(Not	reporting)											158
159. Newton, Mass.	57,300	3,658,000	1,900,000	461,000	6,019,000	891,430	..	..	..	5,127,570	4,716,867	82.32	....	159
160. Decatur, Ill.	57,100	(Not	reporting)											160
161. Augusta, Ga.	56,700	2,306,000	304,000	550,000	3,160,000	384,461	100	..	..	2,775,359	2,775,359	......	....	161
162. Kenosha, Wis.	56,500	136,000	2,712,000	273,000	3,121,000	N.	..	..	..	3,121,000	2,848,000	50.41	1,200,000	162
163. Kalamazoo, Mich.	56,400	51,750	2,647,000	48,750	2,747,500	99,220	10	90	..	2,648,280	2,599,530	46.09	778,002	163
164. Beaumont, Texas	56,300	4,447,750	2,527,538	837,500	7,812,788	616,737	50	23	27	7,196,051	6,526,167	115.92	N.	164
165. Hammond, Ind.	56,000	(Not	reporting)											165
166. Charleston, W. Va.	55,200	(Not	reporting)											166
167. Atlantic City, N. J.	54,700	24,920,000	4,387,000	3,287,000	32,594,000	3,869,672	54	15	31	28,724,327	26,629,600	486.83	N.	167
168. Mount Vernon, N. Y.	54,700	5,520,000	3,909,050	2,268,000	11,697,050	459,139	100	..	..	11,237,811	8,969,811	163.98	449,000	168
169. Malden, Mass.	53,400	1,653,000	1,166,000	32,000	2,851,000	274,473	91	9	..	2,576,527	2,568,457	48.10	....	169
170. Woonsocket, R. I.	53,400	(Not	reporting)											170
171. Newport News, Va.	53,300	2,438,500	1,020,000	3,207,000	6,665,500	557,470	100	..	..	6,107,030	2,900,030	54.41	....	171
172. St. Petersburg, Fla.[32]	53,300	7,117,000	2,719,000	4,369,000	14,205,000	1,497,213	95	5	..	12,707,787	8,338,787	157.39	12,969,000	172
173. Medford, Mass.	52,900	(Not	reporting)											173
174. New Castle, Pa.	52,500	1,025,000	2,440,000	N.	3,465,000	69,364	89	11	..	3,395,636	3,395,636	64.68	310,173	174
175. Davenport, Iowa	52,470	1,423,800	1,270,000	N.	2,693,800	19,513	100	..	..	2,674,286	2,674,286	50.97	730,372	175
175a. Dearborn, Mich.	52,000	9,722,000	1,573,800	2,344,000	13,639,800	1,761,819	83	..	17	11,877,981	9,817,636	188.80	3,083,050	175a
176. Greensboro, N. C.[25]	51,900	2,782,000	3,264,000	2,739,353	8,785,353	439,274	69	..	31	8,346,079	5,742,459	110.64	5,468,750	176
177. Springfield, Mo.	51,700	871,000	2,000,075	N.	2,871,075	209,220	35	65	..	2,661,855	2,661,855	51.49	N.	177
178. Stockton, Calif.	51,000	(Not	reporting)											178
179. East Chicago, Ind.	50,800	(Not	reporting)											179
180. Columbia, S. C.	50,600	(Not	reporting)											180
181. Galveston, Texas	50,600	(Not	reporting)											181
182. Madison, Wis.	50,500	2,592,900	2,547,500	449,000	5,589,400	237,000	54	28	18	5,352,400	4,937,100	97.76	1,379,800	182
183. McKeesport, Pa.	50,400	(Not	reporting)											183
184. Perth Amboy, N. J.	50,100	(Not	reporting)											184
185. Elmira, N. Y.	50,000	(Not	reporting)											185
186. Pittsfield, Mass.	50,000	878,400	1,033,000	600,000	2,511,400	N.	..	..	..	2,511,400	1,911,400	38.23	N.	186
GROUP V *Population 30,000 to 50,000*														
187. York, Pa.	49,900	$1,471,500	$1,638,000	N.	$3,109,500	$571,699	77	23	..	$2,537,801	$2,537,801	$50.86	$........	187
188. Chelsea, Mass.	49,800	1,807,800	1,122,500	$100,000	3,030,300	558,746	58	42	..	2,471,553	2,371,553	47.62	N.	188
189. Lima, Ohio	49,700	3,281,222	889,902	913,500	4,262,474	408,407	95	..	5	3,854,067	3,783,325	76.00	1,148,911	189

BONDED DEBT OF 227 CITIES AS AT JANUARY 1, 1930—*Continued*

City	Census July 1, 1928	Gross Bonded Debt				Sinking Fund				Net Bonded Debt			Total gross special assessment debt	No.
		General improvement	Public school	Public utility	Total	Total	General improvement (per cent)	Public school (per cent)	Public utility (per cent)	Total	Excluding self-supporting	Per capita excluding self-supporting		
Group V—*Continued* *Population 30,000 to 50,000*														
190. Bay City, Mich	49,600	$331,500	$1,930,000	$1,820,000	$4,081,500	$868,833	22	65	13	$3,212,667	$1,509,903	$30.44	$134,000	190
191. Haverhill, Mass	49,230	907,000	286,000	195,000	1,388,000	22,000	..	..	..	1,366,000	1,171,000	23.79	N.	191
192. New Rochelle, N. Y	48,800	4,322,000	4,976,676	N.	9,298,676	251,105	100	..	..	9,047,570	9,047,570	185.40	778,421	192
193. Lexington, Ky	48,700	1,399,570	754,000	N.	2,153,570	498,009	82	18	..	1,655,561	1,655,561	34.04	220,446	193
194. Evanston, Ill	47,600	935,000	3,215,000	....	4,150,000	N.	..	..	..	4,150,000	4,150,000	87.18	3,419,700	194
195. Durham, N. C	47,600	2,914,246	1,952,696	3,919,666	8,786,608	764,735	..	..	..	8,021,873	4,102,206	86.18	2,923,391	195
196. Battle Creek, Mich	47,200	1,378,000	1,185,500	....	2,563,500	N.	..	..	..	2,563,500	2,563,500	54.31	....	196
197. Aurora, Ill	47,100	(Not	reporting)											197
198. Munice, Ind	46,800	(Not	reporting)											198
199. Columbus, Ga	46,600	(Not	reporting)											199
200. Waco, Texas	46,600	2,664,000	1,588,900	2,767,000	7,019,900	1,188,724	45	22	33	5,831,176	3,064,176	65.75	N.	200
201. Muskegon, Mich	46,600	1,269,000	1,965,000*	417,500	3,651,500	472,656	100	..	..	3,178,844	2,761,344	59.23	857,170	201
202. Jamestown, N. Y.[33]	46,000	1,379,734	1,862,500	1,054,500	4,296,734	92,577	..	..	100	4,204,156	3,242,234	69.58	639,583	202
203. Brookline, Mass	45,700	1,128,075	775,200	399,000	2,302,275	N.	..	..	..	2,302,275	1,903,275	41.60	....	203
204. San José, Calif	45,500	(Not	reporting)											204
205. Chicopee, Mass.[34]	45,400	793,000	591,500	427,750	1,812,550	N.	..	..	..	1,812,550	1,384,800	30.50	N.	205
206. Fitchburg, Mass	45,200	1,427,000	428,000	690,100	2,545,100	N.	..	..	..	2,545,100	1,855,000	41.04	N.	206
207. Austin, Texas	45,135	3,294,500	1,307,000	969,000	5,570,500	102,000	33	67	..	5,468,500	4,499,500	99.69	N.	207
208. Lorain, Ohio	44,900	1,411,451	1,527,725	570,000	3,509,176	577,808	70	4	26	2,931,367	2,361,367	52.59	1,048,307	208
209. Pueblo, Colo	44,200	889,000	1,381,000	1,405,000	3,675,000	127,928	56	..	44	3,547,072	2,142,072	48.46	1,662,300	209
210. Hamilton, Ohio.[35]	44,200	1,464,063	1,447,040	1,523,100	4,434,203	620,100	46	14	40	3,814,103	1,272,823	28.80	582,201	210
211. Williamsport, Pa	44,000	882,000	1,246,000	N.	2,128,000	398,551	60	40	..	1,729,449	1,729,449	39.31	113,400	211
212. Stamford, Conn	43,800	(Not	reporting)											212
213. Butte, Mont	43,600	(Not	reporting)											213
214. Everett, Mass	43,300	1,350,400	983,000	118,000	2,451,400	341,854	100	..	..	2,109,546	1,991,546	45.99	N.	214
215. Salem, Mass	43,000	865,000	686,500	387,000	1,938,500	N.	..	..	..	1,938,500	1,551,500	36.08	....	215
216. Rock Island, Ill	42,700	(Not	reporting)											216
217. Poughkeepsie, N. Y	42,500	1,543,200	1,523,200	826,500	3,893,549	N.	..	..	..	3,893,549	3,067,049	72.19	1,002,473	217
218. Dubuque, Iowa	42,300	1,180,763	1,267,000	664,000	3,111,763	306,592	7	59	34	2,805,171	2,480,171	58.63	503,550	218
219. Council Bluffs, Iowa	42,300	(Not	reporting)											219
220. Phoenix, Ariz	42,100	(Not	reporting)											220
221. Joliet, Ill	41,900	1,500,000	1,870,000	N.	3,370,500	N.	..	..	..	3,370,500	3,370,500	80.50	1,122,800	221
222. Portsmouth, Ohio	41,200	(Not	reporting)											222
223. West New York, N. J	40,900	(Not	reporting)											223
224. New Brunswick, N. J.[36]	40,800	1,755,000	1,565,000	1,129,000	4,449,000	99,778	100	..	..	4,350,222	3,221,222	79.01	....	224
225. Taunton, Mass.[37]	40,600	493,100	730,000	1,807,000	3,030,100	608,429	..	2	98	2,421,671	1,222,108	30.11	501,000	225
226. Kokomo, Ind	40,400	159,100	625,500	....	784,600	N.	..	..	..	784,600	784,600	19.39	....	226
227. Quincy, Ill	39,800	(Not	reporting)											227
228. Superior, Wis	39,670	741,000	1,280,000	N.	2,021,000	73,000	53	47	..	1,948,000	1,948,000	49.10	....	228
229. East Cleveland, Ohio	39,400	2,018,000	3,682,000*	45,000	5,745,000	430,437	80	19	1	5,314,563	5,275,000	133.50	1,214,298	229
229a. Amarillo, Texas	39,200	2,784,000	1,548,000	2,038,000	6,370,000	517,654	73	27	..	5,752,346	3,614,346	92.20	....	229a
230. Wilmington, N. C	39,100	(Not	reporting)											230

BONDED DEBT OF 227 CITIES AS AT JANUARY 1, 1930—*Continued*

City	Census July 1, 1928	Gross Bonded Debt				Sinking Fund				Net Bonded Debt			Total gross special assessment debt	No.
		General improvement	Public school	Public utility	Total	Total	General improvement (per cent)	Public school (per cent)	Public utility (per cent)	Total	Excluding self-supporting	Per capita excluding self-supporting		
Group V—*Continued* *Population 30,000 to 50,000*														
231. Ogden, Utah	39,100	$1,595,000	$828,000	$975,000	$3,398,000	$16,024	..	100	..	$3,381,975	$2,406,975	$61.53	$1,142,627	231
232. Danville, Ill.	38,800	(Not	reporting)											232
233. Lynchburg, Va.[25]	38,600	2,504,002	1,044,136	1,826,750	5,374,888	1,330,090	67	..	33	4,044,798	2,658,048	68.75	N.	233
234. Easton, Pa.	38,400	2,445,800	2,143,000	N.	4,588,800	559,503	59	41	..	4,029,297	4,029,297	104.89	695,800	234
235. Hazleton, Pa.	38,300	2,033,000	1,502,000	N.	3,535,000	167,539	38	62	0	3,367,461	3,367,461	87.90	....	235
236. Petersburg, Va.	37,800	3,011,500	800,000	500,000	4,311,500	1,163,704	..	..	..	3,147,796	2,647,796	70.12	N.	236
237. Cranston, R. I.[25]	37,500	918,000	1,625,500	N.	2,543,500	316,552	100	..	..	2,226,948	2,226,948	59.35	N.	237
238. Waterloo, Iowa	37,100	(Not	reporting)											238
239. Meriden, Conn.	37,100	(Not	reporting)											239
240. Waltham, Mass.	37,100	(Not	reporting)											240
241. Lewiston, Me.	36,600	747,000	80,000	418,000	1,245,000	225,000	100	..	..	1,020,000	602,000	16.42	....	241
242. Orange, N. J.	36,500	2,390,000	1,522,000	380,000	4,292,000	917,889	46	30	24	3,374,111	3,216,927	88.17	....	242
243. Clifton, N. J.	36,200	3,424,000	2,140,900	2,391,000	7,955,900	132,723	42	58	..	7,823,177	5,432,177	149.80	....	243
244. Amsterdam, N. Y.	36,200	483,500	1,348,200	83,000	1,914,700	233,000	..	..	100	1,681,700	1,598,000	44.15	....	244
245. Norristown, Pa.	36,200	(Not	reporting)											245
246. Warren, Ohio	36,100	1,961,352	2,397,302	1,098,400	5,457,054	115,100	..	100	..	5,341,954	4,358,654	120.75	881,398	246
247. Green Bay, Wis.	36,100	(Not	reporting)											247
248. Colorado Springs, Colo.	36,000	2,021,000	1,122,000*	1,521,000	4,664,000	....	..	..	..	4,664,000	3,143,000	87.30	371,600	248
249. Revere, Mass.	36,000	(Not	reporting)											249
250. Elgin, Ill.	36,000	53,000	200,000	95,000	348,000	N.	..	..	..	348,000	253,000	7.04	1,774,152	250
251. Auburn, N. Y.	35,700	844,632	48,000	210,000	1,102,632	37,781	..	..	100	1,064,851	854,851	23.88	380,569	251
252. Moline, Ill.	35,600	(Not	reporting)											252
253. Sheboygan, Wis.	35,100	236,000	390,000	N.	626,000	N.	..	..	..	626,000	626,000	17.82	230,901	253
254. Irvington, N. J.	34,600	2,899,706	2,898,150	N.	5,797,856	366,360	80	20	..	5,431,496	5,431,496	156.95	1,402,443	254
255. Anderson, Ind.	34,600	(Not	reporting)											255
256. Cumberland, Md.	34,400	1,935,000	....	1,894,900	3,829,900	638,132	..	..	..	3,191,768	1,799,078	......	....	256
257. Montclair, N. J.	33,700	(Not	reporting)											257
258. Watertown, N. Y.	33,700	1,185,635	1,130,500	1,035,000	3,351,135	160,375	54	..	46	3,190,760	2,155,760	63.84	226,653	258
259. Marion, Ohio	33,400	1,264,475	967,000	N.	2,231,475	N.	..	..	..	2,231,475	2,231,475	66.80	366,231	259
260. Oshkosh, Wis.	33,200	358,000	638,000	377,000	1,373,000	N.	..	..	..	1,373,000	996,000	30.00	N.	260
261. Muskogee, Okla.	33,200	2,298,093	1,005,000	874,000	4,177,093	2,000,339	76	24	..	2,176,754	1,302,754	39.25	531,513	261
262. Port Arthur, Texas	33,000	3,160,500	2,228,000	858,500	6,247,000	251,168	66	..	34	5,995,832	5,220,683	187.84	....	262
263. Steubenville, Ohio	32,600	293,500	974,750	60,000	1,328,250	137,579	29	63	8	1,190,671	1,140,671	34.97	173,625	263
264. Mansfield, Ohio	32,500	1,022,725	1,293,000	212,000	2,527,725	226,008	86	14	..	2,301,716	2,089,716	64.42	346,400	264
265. Plainfield, N. J.	32,500	2,413,000	2,282,000	N.	4,695,000	196,409	59	41	..	4,498,591	4,498,591	138.20	270,000	265
266. Alameda, Calif.	32,400	253,929	1,547,467*	110,204	1,911,600	N.	..	..	..	1,911,600	1,801,396	55.63	107,498	266
267. Kearny, N. J.	32,100	(Not	reporting)											267
268. Fort Smith, Ark.	32,100	(Not	reporting)											268
269. Asheville, N. C.	32,000	(Not	reporting)											269
270. Hagerstown, Md.	32,000	(Not	reporting)											270
271. Middletown, Ohio	31,900	780,028	1,966,000	185,000	2,931,028	74,363	100	..	..	2,856,665	2,671,665	83.71	634,505	271

BONDED DEBT OF 227 CITIES AS AT JANUARY 1, 1930

City	Census July 1, 1928	Gross Bonded Debt				Sinking Fund				Net Bonded Debt			Total gross special assessment debt	No.
		General improvement	Public school	Public utility	Total	Total	General improvement (per cent)	Public school (per cent)	Public utility (per cent)	Total	Excluding self-supporting	Per capita excluding self-supporting		
GROUP V—*Continued* *Population 30,000 to 50,000*														
272. Sioux Falls, S. D.	31,200	$945,000	$1,357,000	$401,000	$2,703,000	$1,068,254	16	66	18	$1,634,745	$1,422,373	$45.65	N.	272
273. Rome, N. Y.	31,100	262,667	924,500	379,000	1,566,167	65,576	..	100	..	1,500,590	1,187,167	38.09	$375,776	273
274. Raleigh, N. C.	31,000	(Not	reporting)											274
275. Richmond, Ind.	31,000	226,500	691,000*	....	917,000	14,741	100	..	..	902,259	902,259	29.05	....	275
276. Clarksburg, W. Va.	30,900	(Not	reporting)											276
277. Great Falls, Mont.	30,900	568,000	....	419,000	987,000	434,957	29	..	71	....	....	......	1,146,756	277
278. Norwood, Ohio	30,800	2,246,393	1,070,500	340,825	3,657,718	1,142,496	100	..	..	2,515,222	2,174,397	70.51	122,291	278
279. Port Huron, Mich.	30,700	1,021,620	755,000	292,000	2,068,620	70,000	100	..	..	1,998,620	1,706,620	55.48	730,298	279
280. Bloomington, Ill.	30,700	(Not	reporting)											280
281. Newark, Ohio	30,500	778,000	....	427,000	1,205,000	105,960	100	..	..	....	....	......	275,000	281
282. Zanesville, Ohio	30,450	650,730	926,996	346,500	1,924,226	385,020	63	37	..	1,539,206	1,192,706	39.17	207,590	282
283. La Crosse, Wis.	30,400	440,000	734,000	600,000	1,774,000	464,000	..	10	90	1,310,000	710,000	23.35	214,210	283
284. Newburgh, N. Y.	30,400	(Not	reporting)											284
285. Norwalk, Conn.	30,100	(Not	reporting)											285
286. Nashua, N. H.	30,000	1,413,500	622,500	N.	2,036,000	277,007	..	..	..	1,758,993	1,758,993	58.63	N.	286
CANADIAN CITIES														
1. Montreal, Que.	699,500	$82,742,382	$36,174,000*	$30,754,915	$149,671,297	$18,250,602	80	20	..	$131,420,695	$........	$......	$23,692,036	1
2. Toronto, Ont.[38]	585,626	41,535,326	26,817,127	91,117,323	159,469,778	21,500,282	27	21	52	137,969,496	57,870,351	98.82	9,303,286	2
3. Winnipeg, Man.[39]	205,083	9,750,654	9,175,000	28,773,598	47,699,252	15,963,132	31	18	51	31,736,120	11,102,972	54.14	12,876,089	3
4. Vancouver, B. C.	142,150	34,225,716	9,598,176	5,576,668	49,400,560	11,235,718	71	17	12	38,164,842	33,970,735	238.98	6,312,289	4
5. Hamilton, Ont.[40]	134,566	9,910,678	3,624,717	6,652,802	20,188,197	4,776,800	44	14	42	15,411,397	9,644,055	71.67	2,190,554	5
6. Quebec, Que.[41]	131,071	17,483,349	5,354,000	5,559,125	28,396,474	2,462,210	60	30	10	25,934,264	20,615,400	157.28	....	6
7. Ottawa, Ont.[42]	122,731	9,083,079	4,154,561	4,862,661	18,100,301	5,879,046	58	15	27	12,221,255	10,224,407	83.31	4,719,524	7
8. Edmonton, Alta.[43]	72,501	20,379,262	4,170,913	11,497,428	36,047,603	10,876,113	42	4	54	25,171,490	19,539,081	269.50	4,503,653	8
9. Calgary, Alta.[44]	72,500	10,483,315	2,934,183	9,692,995	23,110,493	11,659,161	66	..	34	11,451,332	6,517,240	89.88	5,847,010	9
10. Windsor, Ont.[45]	68,569	5,738,803	4,304,341	3,625,743	13,668,887	168,317	..	61	39	13,500,570	9,874,827	144.01	....	10
11. London, Ont.	68,404	(Not	reporting)											11
12. Halifax, N. S.	55,000	8,582,278	2,183,033	2,099,306	12,864,617	3,694,521	80	20	..	9,170,096	7,070,790	128.56	478,376	12
13. St. John, N. B.[46]	52,000	1,871,827	1,725,500	4,538,124	8,135,451	3,768,667	87	11	2	4,366,784	667,831	12.84	....	13
14. Verdun, Que.	47,000	(Not	reporting)											14
15. Victoria, B. C.	42,000	10,810,481	1,354,949	3,859,864	16,025,294	3,176,081	57	27	16	12,849,213	9,534,408	227.01	86,491	15
16. Regina, Sask.	42,000	(Not	reporting)											16
17. Saskatoon, Sask.[47]	42,000	4,081,631	2,606,571	4,090,040	10,778,242	3,019,900	41	10	49	7,758,342	5,401,150	128.60	2,870,315	17
18. Three Rivers, Que.	36,500	(Not	reporting)											18

NOTES.—The cities are arranged in order of population, according to the latest estimates by the bureau of the census, July 1, 1928, with exceptions noted by that bureau. Population of Canadian cities is as estimated for 1928.

*=Estimated. N=None.

[1] *New York.* Utility bonds, including rapid-transit subway bonds and dock bonds, not separately reported; general sinking funds include school. Sinking fund resources show a surplus of over $36,000,000.

[2] *Chicago.* General bonds include $103,550,050 sanitary district bonds, 92½ per cent of the total debt of the district, based upon the proportion of taxable values within the city. Debt reported does not include county or forest preserve district (coextensive with county) bonds, $42,231,000. Ninety-one per cent of the taxable values of the county are within the city. Utility bonds include water, $360,500, and street lighting, $7,100,000.

[3] *Philadelphia.* Includes city and county; general and utility debt not separated. Self-supporting debt is estimated.

[4] *Detroit.* Utility bonds include street railway, $22,389,000, and lighting, $18,617,000; in addition to the debt there is a street railway purchase contract for $9,472,047.

[5] *Los Angeles.* Census is local estimate. General bonds include flood control, $8,383,175, based upon proportion of flood control district valuation in city; utility bonds include light and power, $39,295,000, and harbor, $23,894,500; school bonds are issued by the county, amount reported being city's prorated share based upon valuations.

[6] *Cleveland.* Utility bonds include light and power, $7,012,000.

[7] *Boston.* Utility bonds include rapid transit, $53,440,700; county debt, $1,871,000, which is paid by Boston, not included; special assessment bonds are not kept separately.

[8] *San Francisco.* Utility bonds include street railway, $2,705,000.

[9] *Milwaukee.* Debt does not include metropolitan sewerage commission, $23,016,982,—79.36 per cent of which is paid by the city.

[10] *Minneapolis.* Utility bonds include light and power, $50,000; market, $24,000; and river terminal, $742,000.

[11] *New Orleans.* General bonds include sewerage, water and drainage, amounts not separately reported; utility bonds include Public Belt Railroad, $3,000,000, and port, $41,169,000. Debt reported does not include levee district bonds, $11,037,500 (1929).

[12] *Cincinnati.* Utility bonds include rapid transit, $6,100,000; airport, $775,000; and Cincinnati Southern Railway, $21,832,000; rental revenues of the latter are $1,250,000 annually, the excess over its debt charges being equivalent to debt charges on $10,000,000 general bonds.

[13] *Indianapolis.* General bonds include park district, $3,363,200, and sanitation district, $3,575,500.

[14] *Portland.* General bonds include dock, $8,280,000, and city's portion (93.77 per cent) of port, $4,110,876; utility bonds include golf, $142,000; school bonds are 97.42 per cent of total as city's portion. The city's portion (91.49 per cent) of county debt, $8,563,464, is not included.

[15] *Jersey City.* Utility bonds include dock, $251,000.

[16] *Columbus.* School debt not reported; utility bonds include light and power, $2,057,000; sinking fund not reported separately as between general and utility; self-supporting debt not reported.

[17] *Denver.* Includes city and county; general debt includes city's portion of Moffat tunnel, $13,613,600.

[18] *Omaha.* Utility bonds include gas, $4,500,000.

[19] *Richmond.* Utility bonds include light and power, $300,000, and gas, $3,891,550.

[20] *Dayton.* Utility bonds include sewage disposal, $1,165,000.

[21] *Norfolk.* Utility bonds include docks and piers, $6,111,000; general sinking fund includes school.

[22] *Miami.* Utility bonds include street railway, $1,065,000.

[23] *Nashville.* Utility bonds include light and power, $368,000; general sinking fund includes utility.

[24] *Wilmington.* Utility bonds include harbor, $2,650,000.

[25] *Albany, Highland Park, Charlotte, Portland, Portsmouth, Lynchburg, Cranston.* General sinking fund includes school.

[26] *Kansas City, Kansas.* Utility bonds include light and power, $2,856,000.

[27] *Duluth.* Utility bonds include gas, $1,086,000.

[28] *Tampa.* School debt reported is for entire school district of which an estimated 88 per cent is in the city.

[29] *Tacoma.* Utility bonds include light and power, $5,685,000; street railway, $348,000; dock, $405,000; and garbage, $97,000.

[30] *Long Beach.* Utility bonds include gas, $3,886,000.

[31] *Lincoln.* Utility bonds include commercial light, $100,000, and street light, $100,000; school bonds are for a separate district of larger territory than the city.

[32] *St. Petersburg.* Utility debt includes light and power, $535,000; street railway, $1,175,000; and gas, $1,073,000.

[33] *Jamestown.* Utility debt includes light and power, $176,000, and market, $31,500.

[34] *Chicopee.* Utility debt includes light and power, $59,750.

[35] *Hamilton.* Utility bonds include light and power, $794,300, and gas, $317,800.

[36] *New Brunswick.* Utility bonds include dock, $250,000.

[37] *Taunton.* Utility bonds include light and power, $776,000; street railway, $10,000; and sewer, $501,000.

[38] *Toronto.* Utility bonds include light and power, $25,884,739; street railway, $36,906,900; exhibition, $3,335,414; royal winter fair, $1,135,810; housing, $594,000; abattoir, $304,000; ferries, $151,000; and radials, $2,452,896; school debt includes separate (Roman Catholic) school board, $2,390,000, paid from taxes of supporters.

[39] *Winnipeg.* Utility bonds include light and power, $18,327,000; housing, $2,650,000; and steam heating, $1,100,000.

[40] *Hamilton.* Utility bonds include light and power, $2,689,353, and housing, $270,938.

[41] *Quebec.* School debt includes Roman Catholic, $5,174,000, and Protestant, $180,000.

[42] *Ottawa.* Utility bonds include light and power, $948,044.

[43] *Edmonton.* Utility bonds include light and power, $3,259,703; street railway, $2,813,543; and telephone, $2,276,525.

[44] *Calgary.* Utility bonds include light and power, $3,037,872; street railway, $2,730,097; hospitals, $325,095; and paving plant, $100,000.

[45] *Windsor.* Utility bonds include light and power, $1,442,892, and housing, $1,170,727; school debt includes $1,181,754; Roman Catholic school debt paid by separate supporters.

[46] *St. John.* Utility bonds include light and power, $749,950; ferry, $252,885; market, $70,000; and housing, $38,055; harbor bonds, $1,467,164, have been assumed by the Dominion government.

[47] *Saskatoon.* Utility bonds include light and power, $1,976,447, and street railway, $1,096,519.

RECENT BOOKS REVIEWED

THE SMALL CITY AND TOWN. Edited by Roland S. Vaile. Minneapolis: The University of Minnesota Press, 1930. 159 pp.

This book consists of a series of papers and addresses presented at a conference on the problems of the small city and town held at the University of Minnesota in June, 1929, under the auspices of the School of Business Administration. Besides the formal report summarizing the conclusions of the conference (pp. 1–23), nineteen other papers are contributed on nearly every phase of rural and village life by academic specialists, public officials, and business men. Highways, schools, newspapers, transportation, banking, merchandising, manufacturing, and budgeting in their relation to rural communities are all discussed. The papers vary considerably in excellence, some giving evidence of the sound scholarship of their authors, others confining themselves largely to rather platitudinous assertions. Most of the book is of interest primarily to the rural sociologist. The student of government, however, will find several of the papers suggestive. Among these may be mentioned: *Integration and the Small Town*, by the editor; *Highways and the Small Town*, by C. M. Babcock; and *Budget and Accounting Procedure for a Small Town*, by George M. Link. The summary report of the conference by the editor and the General Introduction by Dean Stevenson are especially worth while. A valuable feature is the rather full bibliography.

LANE W. LANCASTER.

Wesleyan University.

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PUBLIC UTILITY CONTROL IN MASSACHUSETTS. By Irston R. Barnes. Yale University Press, 1930. 239 pp.

This is the second volume in a series published by the department of economics, sociology and government, and originally undertaken by the author as a dissertation in partial fulfilment of the requirements for the degrees of doctor of philosophy. The book is therefore well documented.

The main object was to determine the practical application of the prudent investment theory to the problem of rate regulation, as exhibited in the state of Massachusetts. The author soon realized that, in spite of the prevalent belief that prudent investment is the basis of rate regulation in that state, the fact is otherwise.

The work, therefore, assumed the form of a "case" study: the exposition and critical analysis of the Massachusetts methods in regulating security issues and rates.

As is well known to students of utility regulation, Massachusetts has maintained strict supervision over utility security issues for about sixty years. Consequently when rate regulation came to the fore during the last twenty-five years, the regulatory bodies of that state had an advantage over similar bodies in other states, in that they, the former, knew what the investment had been in each utility, while in other states this basic factor was unascertainable.

It is, therefore, not surprising that while elsewhere appraisals, valuations, became the prevalent method of ascertaining a rate base, Massachusetts gradually evolved an entirely different procedure. It took the securities outstanding as a starting point. This provided a ready measure and did not require dickering about for months and years at a time, as is the case with valuations.

The author follows the historical development of supervision of security issues and rates as expressed in the legislative policies of the state as well as the application of those policies in specific cases by the regulatory authorities. Then he attempts to evaluate the methods peculiar to Massachusetts and to compare them somewhat with the methods used or advocated elsewhere.

In this latter part, or critical analysis, the book perhaps falls short. However, the author does not pretend at an attempt to cover the subject. But as to the expository portion, this volume is a valuable contribution toward the series of monographs about regulation in the individual states begun lately in various institutions; studies which are highly desirable for those who wish to become acquainted with the actual workings of utility regulation in given jurisdictions.

NATHANIEL GOLD.

The College of the City of New York.

Survey of the Police Department of Minneapolis, Minnesota. Conducted by August Vollmer. Published by the City Council, Minneapolis, 1930. 198 pp. (Mimeographed).

The 1930 Survey of the Police Department of Minneapolis, by August Vollmer, made under authorization of the city council of that city, is an example of a comprehensive and dispassionate report written by one who obviously knows his business. It is impossible in three or four hundred words to present a clear and comprehensive consideration of all points.

The outstanding feature of the report from the standpoint of form is its logical and orderly arrangement. The graphs and tables are neatly and clearly set up and portray at a glance some particular phase of police administration which fits in admirably to complete a picture of the Minneapolis police department as it stands now and as it should stand under proper administration. Not only police officials but laymen as well can pick up the report and travel along with Mr. Vollmer toward the goal of more efficient police administration for Minneapolis.

The text of the report is effectively and clearly presented. It is an encouraging sign when so much attention is paid to the question of personnel and morale. Of course, that is the mainspring of all police administration, and if Minneapolis will only follow Mr. Vollmer's recommendations on personnel doubtless much of their problem will be solved. Mr. Vollmer has apparently been untiring in his efforts to get at facts in relation to all of the various phases of his report. Where he was unable to get facts, as in the case of statistics on vice, he admitted it. It is a wise man who refuses to make recommendations on thin air and without facts. The part of the report dealing with traffic and its fatalities is alarming. There certainly is room in Minneapolis for considerable educational work, and it seems that this might well be a problem for civic organizations to work out in coöperation with the police authorities. It can be done. Rochester has done it, and what Rochester can do Minneapolis can do. Mr. Vollmer's recommendation embodying the establishing of a toxicological laboratory indicates that men who are studying police administration are coming to realize that science can play an important part in solving the intricate problems of police work.

Mr. Vollmer's recommendation that the superintendent of police be given the protection of civil service regulation is, of course, proper and logical, but it seems rather inconsistent with good policies of organization to give the mayor the power of appointing members of the police force. Why not have the line of authority run directly from the mayor to the superintendent of police, thence to the members of the force? It would seem that this method would take the police department that much further out of politics and would make the superintendent of police a more effective administrator. As one reads Mr. Vollmer's report he becomes more and more impressed with the fact that the police department of Minneapolis must now be pretty well tied up with politics and therefore cannot function consistently and efficiently. If such is the case any step that can be taken to remedy this situation would seem to be the one that should be taken first.

Alfred Gates.

Rochester Bureau of Municipal Research.

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XII International Housing and Town Planning Congress, Roma, 1929. *Part I: Papers.*

The International Federation for Housing and Town Planning publishes the papers of its Congresses in advance, thereby facilitating discussion, which must always be difficult with such diversity of language and such a large number of delegates, usually over one thousand, in attendance. These papers take on a unique importance because they collect simultaneous views as to particular problems in each of many countries throughout the world. While some of our city planning and housing problems in America are chiefly of local significance and some of the problems of the rest of the world do not apply here, or are so twisted in aspect as to be unrecognizable as the same, much of this world experience is of greatest value, if only as a means of testing the validity of our own undertakings and acquainting us with the fact that our way is not the only way that has been found to work.

At each Congress a limited number of specific topics are treated. At Rome there were four only, two closely related housing subjects and two equally closely related town planning matters. The *Financing of Working and Middle-Class Housing* included a paper on American mortgaging and the possibilities of limited dividend companies here by Alexander

Bing. To the *Planning of Apartment Housing Schemes* Lawrence Veiller contributed an extended exposition of model American tenement types, with special regard to light, air, sanitation, safety, privacy and "creature comforts," and a prediction that their luxuriousness will increase steadily. Some of the aspects of the *Planning for Expansion of American Cities* were discussed in a broad way by Aubrey Tealdi, including special reference to the preservation of historical associations and the city's individuality, this being the special topic under consideration. Not the least interesting portions of this five-hundred-page document are the expositions of the development of Rome and Milan.

Part III, Final Report.

This document is remarkable in that it gathers under one cover the various views up to the minute of authorities throughout the world on a number of specific subjects.

For the *Financing of Middle-Class Housing* it is generally agreed that insufficient capital is available in most countries. As to *Apartment Houses* it is agreed that some are necessary, but vigorous disagreement arose as to whether they should be kept down to three stories or allowed to go much higher, and as to whether, by zoning or otherwise, shops should be kept out of the ground floor. For *Historic Towns* the majority favored preserving the old center and diverting traffic through the surrounding new town designed on modern lines, with new centers, thus promoting a degree of decentralization. The need for *Research in Town Planning* with a view to establishing sound doctrine was stressed by all.

It may be noted that while one American presided as an alternate at one session, neither he nor any other American participated in any of the discussions of this great international congress. Can it be because we presume to believe we do not need to share the experience of others?

Arthur C. Comey.

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Deutscher Kommunal Kalendar, 1930. Edited by Alfred Finke and Erwin Stein, Berlin, Deutscher Kommunal-Verlag G.m.b.H., 1929. 396 pp.

The tenth *Behördenjahrbuch* by Finke and Stein represents one of the best of this very useful series of yearly indices to German municipal affairs and literature. The introductory section contains comprehensive calendars of municipal activities for the coming year in practically every phase of communal government and administration, as well as certain highly important schedules of postal, telegraph, and telephone charges—to say nothing of 65 blank pages for engagement schedules, etc. The second section contains brief articles on each of the various organizations of German political, administrative, and technical officials, together with directories of their officials. Section three is a directory of the executive personnel of the *Reich* and of each of the states and free cities.

Section four, comprising the most important portion of the yearbook, is devoted this year to problems of communal hygiene. In this section there are a number of very illuminating articles on the relative aspects of *Reich, staat,* and *kommunal* health administration, as well as a group of concise essays upon the legal basis and powers of public hygiene functionaries, and the technique of administration. By restricting the subject matter considered in each yearbook, the authors are able to make appreciable progress in a particular phase of communal administrative activity. While this may be desirable, it seems to the reviewer to entail the neglect of recent developments in other phases of local administration; to the foreign student, particularly, the book's value would be enhanced by a cyclopaedic treatment of all current developments, even if a certain superficiality were the consequent.

The latter sections of the volume are occupied with an exhaustive and very excellent bibliography of local government literature which has appeared during the last year in foreign countries and in Germany. In this single respect—the completeness of the bibliographical material—does the German publication surpass its excellent and distinguished American counterpart, Mr. Buttenheim's annual *Municipal Index.*

Rowland A. Egger.

Princeton University.

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The Constitution and Government of Texas. By Frank M. Stewart and Joseph L. Clark. New York: D. C. Heath and Company, 1930. 268 pp.

A recent act of the Texas legislature provides that the educational institutions of the state must offer a course of instruction in the constitutions of the United States and of Texas. This book has been written to supply such a text on the constitution and government of Texas for use in the colleges of the state.

It is divided into two parts: the first treats the history and development of the state constitution; the second deals with the actual functioning of the government under the constitution. In the discussion of the historical development of the constitution the salient features of the six constitutions of Texas are considered. Important problems that should be considered by the next constitutional convention are discussed.

The section of the book which deals with the actual operation of the government of the state is divided into five chapters; they are on the executive, the legislature, administration, the judiciary, and local government. An excellent plan of administrative reorganization is suggested which would unquestionably result in greater economy and efficiency in state administration in Texas. It is the view of the authors that minor changes in the judiciary would not be sufficient but "what is needed is comprehensive reconstruction, thorough procedural reform, and a general improvement of personnel."

Suggested changes are also made for the legislative and executive branches of state government. While county government comes in for some criticism, the government of the cities of the state seems to be satisfactory.

The authors have given an excellent survey of their subject. It is stimulating and thought-provoking, and should serve as a challenge to the students to improve the government of the state.

Charles M. Kneier.

University of Nebraska.

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MUNICIPAL REPORTS

Brunswick, Georgia. *Ninth Annual Report for year ending December 31, 1929.* By E. C. Garvin, City Manager. 45 pp.

This latest report of Brunswick is quite similar to the one issued last year. Mr. Garvin believes strongly in the effectiveness of the graphical method of presentation. Of the 44 pages, 19 are devoted to charts, 12 to text, 9 to maps and pictures, and 4 to financial tables.

The report opens with an organization chart of the city government and an official directory. This is followed by a letter of transmittal and a résumé of accomplishments and needs. Starting with the city commission the balance of the report is devoted to a report of the various departments, and it is interesting to note that the order in which they appear follows quite closely the organization chart, thus aiding greatly the reader's understanding of the relation of the various activities.

Some of the outstanding features of this report aside from the clear and effective charts are its attractiveness, comparative data, and the emphasis placed on important statements by a change in type. All in all this report reaches a high point in public reporting.

* * *

Cincinnati, Ohio. *Municipal Activities. A report of the fourth year's operation under the council-manager charter.* By C. O. Sherrill, City Manager. 111 pp.

To say this report is an improvement over Colonel Sherrill's previous reports of Cincinnati's municipal government is indeed a compliment. This report comes close to meeting the most exacting requirements of a municipal report. It is well arranged, the space allotted to various activities appears well proportioned; the charts and pictures seem ample—there are twenty-one of the former and fifty-two of the latter; and for attractiveness and typography it would be difficult to surpass.

Some of the outstanding accomplishments listed include: a reduction in the tax rate of 54 mills from the 1928 rate; the acquisition of 197 acres of park land; a reduction in bonded indebtedness for a four-year period of one and one-third millions; the planting of 900 street trees; a saving of $78,000 by the purchasing department; a reduction in the infant mortality rate from 85.4 in 1928 to 73.3 in 1929; the formation of a Regional Planning Commission; and the preparation of a five-year program for major highways.

The decrease in the number of pages to 111 as compared to 217 in the 1927 report and 198 in the 1928 report is a source of satisfaction to the reviewer who feels that no important omissions are made in this latest and smaller edition, and further that a much more effective presentation is made. Another important feature worthy of mention is the section devoted to personnel administration. It is rare indeed to find this important activity recorded in a municipal report.

Clarence E. Ridley.

REPORTS AND PAMPHLETS RECEIVED

EDITED BY WELLES A. GRAY

Assistant Director, Municipal Administration Service

Penal and Eleemosynary Supporting Data to the Report of the State Survey Commission.—By P. E. Thomas and J. J. Sullivan. Jefferson City, Missouri, 1929. 44 pp. This collection of supporting data on penal and eleemosynary institutions is part of the supplementary data to the report of the Missouri State Survey Commission, which, together with other collections of supporting data, will be reviewed separately in subsequent numbers of the REVIEW. This report covers the various state penal institutions and reformatories, and the state industrial schools for girls. Other data on housing conditions in state mental hospitals, and on public health are included. (Apply to the State Survey Commission, State House, Jefferson City, Mo.)

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Specifications for Fireworks.—By the Milwaukee Central Board of Purchases, Milwaukee, 1930. 26 pp. (Mimeographed.) These are complete and general specifications for all types of fireworks for a Fourth-of-July fireworks display. They were prepared by the Milwaukee Board of Purchases after consultation between members of the board, the city chemist, and several manufacturers of fireworks. (Apply to Central Board of Purchases, City Hall, Milwaukee, Wisc.)

*

Suggested Fire Prevention Ordinance.—By the National Board of Fire Underwriters. New York, 1930. 81 pp. This ordinance provides for the establishment of a bureau of fire prevention and lays down regulations for the safe handling of explosives, combustibles and other dangerous materials, and for the conduct of dangerous processes. (Apply to the National Board of Fire Underwriters, 85 John Street, New York City.)

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Follow-up Systems for Purchasing Departments.—By the National Association of Purchasing Agents. New York, 1930. 16 pp.

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Specifications.—By the National Association of Purchasing Agents. New York, 1930. 13 pp. (Mimeographed.) These booklets are numbers one and two of a series of technical pamphlets inaugurated by the National Association of Purchasing Agents in order to provide technical assistance to purchasers. *Follow-up Systems* provides several sets of record forms and form letters to be used by purchasing departments to insure prompt delivery of goods after purchase. In *Specifications* there is a full discussion of the necessity, nature and use of specifications in buying either publicly or privately. As an example of the use of specifications, a description of the methods employed by the United States Navy in purchasing lubricants is included. (Apply to National Association of Purchasing Agents, 11 Park Place, New York.)

*

General Tax Levies for Cities, 1928.—By Municipal Statistics Department, Wisconsin Tax Commission. Bulletin No. 31. Madison, March, 1929. 4 pp.

General Property Tax Levies for Villages, 1928.—By Municipal Statistics Department, Wisconsin Tax Commission. Bulletin No. 32, Madison, April, 1929. 4 pp. These two bulletins contain tabulations of the assessed valuations and tax levies and rates for general property taxes for state, county, local and school purposes. (Apply to the State Tax Commission, Madison, Wisc.)

*

Nine Years of Smoke Abatement Work at Salt Lake City.—By Austin Gudmundsen. Washington, D. C., Department of Commerce, Bureau of Mines, April, 1930. 17 pp. (Mimeographed.) In this report is presented the story of the work of one city not merely to abate but virtually to eliminate the smoke nuisance. Data on the measures taken in industrial plants, railroads and other heavy contributors of smoke are included. There is also a bibliography of publications of the Bureau of Mines on smoke prevention. (Apply to Bureau of Mines, Department of Commerce, Washington, D. C.)

Proposed Standard Smoke Ordinance.—Washington, D. C., Department of Commerce, Bureau of Mines, March, 1930. 5 pp. (Mimeographed.) This ordinance was prepared by a joint committee representing the American Society of Heating and Ventilating Engineers, the Stoker Manufacturers' Association, the American Civic Association, and the Fuels Division of the American Society of Mechanical Engineers. It was originally printed in the May, 1924, *Mechanical Engineering*. In view of the importance of the smoke problem the Bureau of Mines has recently reprinted it. It provides for a bureau of smoke regulation and sets forth the standards which this bureau shall enforce. Public officials and civic organizations interested in smoke elimination will find this ordinance of real value. (Apply to Bureau of Mines, Department of Commerce, Washington, D. C.)

*

Real Estate Departments as Administrative Units in City Government.—By the Municipal Reference Bureau, University of Cincinnati. Cincinnati, November, 1929. 12 pp. (Mimeographed.) This is a survey of the organization and work of the departments or offices which buy, lease, sell, and appraise real estate needed or about to be disposed of by cities. It covers twenty-three large American cities. (Apply to the Municipal Reference Bureau, 246 City Hall, Cincinnati, Ohio.)

*

Making Milwaukee Mightier.—By Arthur M. Werba and John L. Grunwald. Milwaukee, Board of Public Land Commissioners, 1929. 80 pp. This bulletin is divided into two parts. The first presents a record of achievement in metropolitan unification in Milwaukee. Since 1922, 47 local suburbs have been annexed to Milwaukee. The advantages and disadvantages of this policy of consolidation are fully set forth. The second part gives, in summary form, data on the unification of government in fifteen other metropolitan communities. (Apply to the Board, City Hall, Milwaukee, Wisc.)

*

A Study of the Present Financial Difficulties of Local Government and Their Causes.—By the Joint Commission on Real Estate Valuation. Chicago, November, 1929. 83 pp. Here is a gloomy picture of the financial plight of America's second city. It gives a comprehensive view of the system of financial administration of the various agencies of local government in Cook County. Included are recommended plans for reorganization of the system. These plans are based upon the following four points: (1) a sound assessment service; (2) definite temporary borrowing power, which fixes the limit for mortgaging future income; (3) a definite budget law which controls expenditures in relation to revenue; and (4) a funding of existing debts, "which frankly and economically faces the sad fact of present deficits, as they are, and prepares the way, not for repetition, but for orderly and controlled public finance programs." (Apply to the Commission, 189 West Madison Street, Chicago.)

*

Auditing Control and Purchasing Procedure in the Municipal Court of Philadelphia.—By the Bureau of Municipal Research of Philadelphia. Philadelphia, Thomas Skelton Harrison Foundation, 1930. 58 pp. In this bulletin are presented the second and third reports of the Philadelphia Bureau's survey of the Philadelphia municipal court. The report on auditing control is a thoroughgoing investigation into the organization and activities of the departments charged with this function. That on purchasing describes the organization for purchasing, the methods followed by purchasing departments, and the economies achieved through centralized buying. (Apply to Thomas Skelton Harrison Foundation, 311 South Juniper Street, Philadelphia.)

*

Standards of Practice for Realtor Appraisers and Appraisal Committees of Real Estate Boards.—By the National Association of Real Estate Boards. Chicago, April, 1929. 23 pp. This manual sets forth standards of practice for the appraisal of residential and a limited number of commercial properties. It discusses briefly the work and qualifications of appraisers and the methods used for evaluating real property. A code of professional ethics and a glossary of terms used in appraisal work are included. (Apply to the National Association of Real Estate Boards, 310 South Michigan Avenue, Chicago).

*

Annual Report of the City Plan Commission.—Detroit, 1929. 16 pp. In this report are presented the developments in planning which took place in Detroit during 1928, with particular attention to new traffic thoroughfares. (Apply to the Commission, City Hall, Detroit.)

JUDICIAL DECISIONS

EDITED BY C. W. TOOKE

Professor of Law, New York University

Police Power—Confiscation of Motion Picture Films and Apparatus.—The Supreme Court of Illinois on April 11, 1930, handed down an important decision, prescribing the limits of the power of censorship of motion pictures (*United Artists Corporation* v. *Thompson, Mayor of Chicago*, reported, U. S. Daily, April 24). The court upholds generally the power of the city to provide by ordinances for the censorship of both the scenes and language of public exhibitions (*Block* v. *Chicago*, 239 Ill. 231) and of motion picture shows, especially upon the ground that they are patronized largely by children. So long as the method of the exercise of such censorship is lawful, as by the requirement of permits, due notice and hearing being accorded, the judgment of the officials to whom the discretion is committed will not be set aside, unless clearly contrary to the evidence. The exhibition for which the refusal of a permit in the instant case was affirmed depicted criminal acts and objectionable police methods which had been condemned by the courts of the state.

The penalty prescribed for a violation of the ordinance in addition to the imposition of fines, required the confiscation of the plates, films, rolls and other apparatus used in the production, without notice or hearing by a duly constituted tribunal. This portion of the ordinance was held to be unconstitutional, as not according the owner due process of law and as contrary to sections 2 and 6 of Article II of the state constitution. It is doubtful whether a penalty of confiscation can be upheld in any event, unless the power to impose such a penalty is expressly conferred upon the city by statute. As thus modified, the ordinance was declared to be valid and the injunction against further performances affirmed.

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Torts—Statutory Liability for Injury by Municipally Owned Vehicle on Public Highways.—In the February, 1929, notes we commented upon three decisions by the lower courts of New York State, holding that municipalities were liable for negligence of their employees in operating motor vehicles upon the public highway. The statute in question provided that:

> every owner of a motor vehicle operated on a public highway shall be liable and responsible for death or injuries to person or property resulting from negligence in the operation of such vehicle, in the business of such owner or otherwise, by any person legally using or operating the same with the permission, express or implied, of such owner.

In *Lacook* v. *Schenectady*, 221 N. Y. S. 379 however, the Appellate Division held that this statute should not be construed to change the common law immunity of cities for acts of their agents while engaged in so-called governmental as distinguished from proprietary functions, and we suggested that this desired change in the law could be brought about only by legislation.

At the last session of the New York legislature, the following statute was enacted:

> *Highway Law.* §283-g. *Municipal liability for negligent operation of vehicles.* Every city, town and village shall be liable for the negligence of a person duly appointed by the governing board or body of the municipality, or by any board, body, commission or other officer thereof, to operate a municipally owned vehicle upon the public streets and highways of the municipality in the discharge of a statutory duty imposed upon the municipality, provided the appointee at the time of the accident or injury was acting in the discharge of his duties and within the scope of his employment. Every such appointee shall, for the purpose of this section, be deemed an employee of the municipality, notwithstanding the vehicle was being operated in the discharge of a public duty for the benefit of all citizens of the community and the municipality derived no special benefit in its corporate capacity.

While this statute purports to be a subdivision of section 282 of the Highway Law, it is interesting to note that just prior to the enactment of subdivision "g," the remainder of the section was repealed and its provisions reënacted in the motor vehicle law. As the enactment of subdivision "g" came after the repeal, there would seem to be no question of its legal standing, although labeled with an erroneous section title. The new statute widely extends the New York law of liability of municipal corporations, which already was far more extensive than that of most of the other states.

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Taxation—Federal Taxation of Income of Municipal Officers and Employees.—In Vol. XVIII, p. 186, of the Review (March, 1929), we reported the decision of the U. S. Circuit Court of Appeals, Fifth Circuit, reversing the Board of Tax Appeals in the case of *Howard* v. *Lucas, Commissioner of Internal Revenue,* which had held that the compensation of the plantiff employed to assist a municipality in litigation was not exempt under the federal income tax. We pointed out that the decision of the Circuit Court seemed contrary to the principles laid down by Mr. Justice Stone in *Metcalf* v. *Mitchell,* 269 U. S. 514. A similar decision, however, was later handed down by the Circuit Court of Appeals, Third Circuit, July 25, 1929, in *Reed* v. *Commissioner of Internal Revenue,* 34 Fed. (2d) 263, in which Senator Reed claimed exemption for fees received by him as counsel for the state of Pennsylvania. Judge Buffington in the opinion of the court cited and approved the Howard case, and said (p. 264):

> As the power of a state to live depends on its right to tax, it follows that to subject its power to tax to the taxing power of another sovereign is, to that extent, to strike at the life of the state. It follows, therefore, in our dual form of federal and state sovereignty, that neither nation nor state can in any way trammel the free and sovereign power of each to tax in its own sphere, and to use, free from taxation, the service of every one it employs to aid in effecting its power of taxation. The constitutionality of the power to tax here concerned was *pro tanto* vital to the existence of the commonwealth, and the work of counsel employed to assist the Attorney General in vindicating that right in the courts was not the work of Major Reed, but of the state itself, for "qui facit per alium facit per se."

Both of these decisions have recently been reversed by the Supreme Court, with per curiam opinions, upon the authority of *Metcalf* v. *Mitchell,* the Howard decision being handed down December 9, 1929, and the Reed decision, May 5, 1930.

In the Metcalf case, Justice Stone declined to consider the question upon the basis of the "governmental" or "proprietary" functions of the services rendered, and based his decision squarely upon the finding that the remuneration of independent contractors with a municipality was subject to the federal income tax. The recent decisions thus disposed of any question of exemption for other than state and municipal officers and employees.

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Metropolitan Government—The Pittsburgh Project.—In *O'Connor* v. *Armstrong,* 149 Atl. 655, the Supreme Court of Pennsylvania on March 17, last, held that the county commissioners of Allegheny County have no power to resubmit the proposed charter for the Consolidated City of Pittsburgh to the electors of the county in its original form. This procedure was recommended by the metropolitan plan commission, which has been continued in existence for the purpose of further studying the subject of the consolidations of the cities, boroughs and townships of the county and making a report to the legislature. The amendment to the state constitution under which it was claimed the commissioners have a power of resubmission was adopted in 1927, and reads as follows:

> The General Assembly is hereby authorized to provide for the consolidation of the county, poor districts, cities, boroughs and townships of the county of Allegheny, and the offices thereof, into a consolidated city and county, with the constitutional and legal capacity of a municipal corporation, to be known as the City of Pittsburgh, and to provide for a charter for its government. The said charter shall be submitted to the electors of said county, at a special election to be provided for therein. If the majority of the electors voting thereon in each of a majority of the cities, boroughs and townships thereof vote in the affirmative, the act shall take effect for the whole county. If rejected, the said charter may be resubmitted to the electors in original, new or modified form, at any subsequent election until adopted.

The right of the commissioners to take such action without authorization by the legislature was first sought to be established by a proceeding under the Uniform Declaratory Judgment Act, which the supreme court in the case of *Pittsburgh Consolidated City Charter,* 297 Pa. 502, 147 Atl. 525, held to be an inappropriate proceeding. At the request of the commission, the county commissioners then adopted a resolution setting forth their intention, without further legislation, to resubmit the proposed charter to the electors at the coming election on November 4, 1930. The issue was thereupon raised by a taxpayer's bill to enjoin the expenditure of money for the purpose as illegal and not authorized by law.

The difficulties of the proponents of the consolidated charter seem to lie largely in the form and effect of the legislation which they sponsored and approved. The constitutional amendment that was adopted plainly placed the authorization of the plan and the method of its adoption in the hands of the state legislature, where it undoubtedly belongs. The supreme court properly holds that it is absurd to attempt to construe the amendment in any other way, not only because of its wording, but also because any other theory of constitutional construction runs counter to our system of municipal organization and government.

Of course, the great mistake in formulating the amendment lies in the provision for two-thirds favorable vote of the electors in a majority of the cities and boroughs concerned, in addition to a majority vote in the entire county. The effect of such a restriction was apparently not foreseen by those framers of the amendment who were favorable to the new plan. It seems a pity that the carrying out of so important a reform should be thus hampered by a failure to foresee the scope and effect of the basic legislation upon which the success of the movement depends. As the court points out, under our system the reorganization of city government must always remain largely subject to legislative control, and, unless the state constitution clearly provides otherwise, the courts are compelled to follow this fundamental principle of construction of local governmental powers.

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State Public Utility Commissions—Effect of Statute Creating Utility Commission upon Preexisting Contract Rights of City.—In *Kansas City* v. *Kansas City Terminal Company*, 25 S. W. (2d) 1055, the Supreme Court of Missouri holds that the Public Service Commission Law of 1913, as amended, empowering the commission to determine and prescribe the manner and terms of installation, operation, maintenance, apportionment of expense, etc., of all highway crossings by railroads, did not abrogate the provisions of an earlier ordinance of Kansas City by which, in consideration of the vacation of certain streets by the city, the Terminal Company agreed to construct and pay for any future viaducts when reasonably required for public traffic. The opinion of the court discusses at length the relations between the Terminal Company and the city arising from the franchise agreement of 1909. While recognizing the power of the legislature to annul the contract provisions of this franchise, the court holds that the creation of the commission and the vesting in it of extensive powers of control did not of themselves show an intention of the legislature that such was to be the effect of the statute. The opinion is a full and able statement of the grounds for such a common-sense conclusion.

Judge Blair wrote a vigorous dissenting opinion, based upon the argument that, as the contract rights of a city are always subject to the control of the state, the effect of the legislation was to remove these questions from the domain of contract law and leave them entirely to the control of the commission. This argument has abundant support in several decisions of the Supreme Court, which Judge Blair cites to this point, but we believe that in none of such cases had there been an authoritative decision of the state courts sustaining the power of the city to contract nor had there been a contract entered into under circumstances similar to those in the instant case.

It would seem that the authoritative construction of the effect of the Public Service Commissions Act by the Supreme Court of Missouri will be followed by the Supreme Court of the United States, should a petition for certiorari be granted.

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Streets and Highways—Right of Abutting Owners to Recover Damages for Temporary Closing.—In *Farrell* v. *Rose*, 253 N. Y. 73, 170 N. E. 498, the Court of Appeals of New York reversed a decision of the Appellate Division, First Department, which in effect held that, under the terms of a contract with the city for the repair of a street, the contractor would be liable for interruption of the plaintiff's access to his property if the period ran beyond the time fixed by the contract. The work contracted for was the construction of a retaining wall along the Harlem River terrace, which provided access to the public garage of the plaintiff. The nature of the surroundings required that the machinery and supplies of the contractor be placed on the street and that the traffic be temporarily interrupted. Owing to cave-ins, landslides and other unforeseen obstacles, the work was not completed within the time specified by the contract, and for his loss of access during the excess period the plaintiff sought to receive his damages against the contractor.

The Court of Appeals states that the abutter's right of access is subject at all times to the reasonable control and regulation of the city authorities and that the temporary interruptions of such right when necessary for public works are incident to city life. The abutting owner has no relief unless the city or a contractor interferes with the highway without authority, or, if acting legally, prolongs the work unnecessarily or unreasonably. The evidence in the record did not show that the delay in the instant case was not both reasonable and necessary. Even if the city by the terms of its contract could recover against the contractor, the court holds that the abutting owner could not take advantage of such a provision.

The court further holds that the plaintiff is not aided by a provision in the contract requiring the contractor to take proper measures to keep open the roadways, as required by the New York law. Such a provision is evidently not for the sole benefit of the abutting owner, nor within the class of cases in which one not a party to a contract has any right to its performance. It may be noted on this point that it is quite possible that the result would be different in a jurisdiction which recognizes a more liberal third-party beneficiary rule.

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Ordinances—Referendum upon Petition of Electors or Taxpayers.—The requirement that in the exercise of the power delegated to it the acts of the legislative and administrative authorities of a municipality must strictly comply with the methods prescribed by statute is well illustrated by the case of *Weiner* v. *Commissioners of Perth Amboy,* 149 Atl. 540, recently decided by the Supreme Court of New Jersey. The Walsh Act of 1913 provided for a referendum of certain ordinances as follows (sec. 17, ch. 179, Laws of 1913):

> No ordinance . . . except when otherwise required by the general laws of the State or by the provisions of this act, except an ordinance for the immediate preservation of the public peace, health or safety, . . . shall go into effect before ten days from the time of its final passage; and if during said ten days a petition signed by *electors of the city equal in number to at least fifteen per centum of the entire vote cast at the last preceding general municipal election,* protesting against the passage of such ordinance, be presented to the board of commissioners, the same shall thereupon be suspended from going into operation, and it shall be the duty of the board of commissioners to reconsider such ordinance; and if the same is not entirely repealed, the board of commissioners shall submit the ordinance . . . to the vote of the electors of the city.

By the Home Rule Act of 1917 (sec. 24 of Art. 37) this section was modified by the provision that:

> Any ordinance authorizing any improvement or the incurring of any indebtedness, excepting for current expenses, shall become operative ten days after the publication thereof after its final passage, unless within said ten days a protest or protests against making such improvement or the incurring of such indebtedness shall be filed in the office of the clerk of such municipality signed by *taxpayers representing ten per centum in amount of the assessed valuation of such municipality,* whose names appear on the last preceding assessment roll thereof, in which case such ordinance shall remain inoperative until a proposition for the ratification thereof shall be adopted at an election.

A petition was filed for referendum on an ordinance entitled, "An ordinance to provide for the purchase of land, the improvement thereof for park purposes and the temporary financing thereof." It demanded the suspension of the ordinance and either its repeal or submission to the vote of the people, reciting that the signers were electors and that the action was taken under the Walsh Act. The city clerk refused to file the petition and upon certiorari the supreme court dismissed the writ, upon the ground that the provisions of the Home Rule Act were applicable and that the referendum could be demanded only upon petition of ten per cent of the taxpayers and not by fifteen per cent of the electors. Had there been in the petition a representation that the undersigned electors were also taxpayers, the defect in the petition might have been cured.

It may be noted that the provision of the New Jersey constitution that "every law shall embrace but one object and that shall be expressed in the title" has no application to ordinances. The court therefore brushed aside the contention of the prosecutor that the ordinance in question was invalid because it covered unrelated projects not sufficiently set forth in its title.

PUBLIC UTILITIES

EDITED BY JOHN BAUER

Director, American Public Utilities Bureau

How Telephone Policy Affects Investors and Users.—There is probably no large public utility organization in the country which is more efficiently operated, has a higher standard of public responsibility, and is pursuing a sounder financial policy, both as to consumers and investors, than the Bell Telephone system controlled by the American Telephone and Telegraph Company. Unfortunately, however, it mars its excellent record by certain rate and investment practices which cannot be justified, and which have aroused severe criticism and public resentment.

The system has been involved in two major rate cases—in New York City and in Chicago. In both cases, the company has attempted to defend untenable policies. For example, it properly includes huge annual sums in operating expenses for depreciation because of the rapid obsolescence which takes place in telephone properties. But when it comes to valuation of properties, it refuses to recognize the depreciation reserve accumulated as the actual depreciation of the properties; it holds that only "observed" depreciation should be deducted, and that obsolescence and other functional depreciation should not be deducted until the property is actually retired from service. The inconsistency of these positions is obvious to a tyro in finance and economics.

In two important other respects does the company pursue dubious policies and subject itself to valid criticism. These points were brought out at a recent public meeting where the writer participated in the discussion. W. J. O'Connor, assistant vice-president of the company, made claims which seemed unwarranted. After the oral discussion, the following correspondence took place—which is offered here as involving important public considerations:

DR. BAUER'S LETTER

Dear Mr. O'Connor:

. . . . Let us be clear, first, as to basic facts. The American Telephone & Telegraph Co. owns virtually all the common stock of its subsidiaries. It raises large sums of new capital partly through bond issues of the subsidiaries, and partly through its own stock issues. It has maintained a limited-dividend policy; for many years it had paid 8 per cent dividends; after the war it raised the rate to 9 per cent, or $9 per share, for the purpose—as claimed—of keeping the stock from falling below par. The 9 per cent dividend rate has since been continued, and all the earnings above 9 per cent have been reinvested in properties used in public service.

In connection with the 9 per cent limited-dividends, the company has also established the practice of allowing existing stockholders, in stated proportions, to subscribe to new shares at par, notwithstanding the higher market price of the stock. During 1929, I understand, this right was in proportion of one new share for each five shares previously owned; or one-fifth of a new share at par for each old share.

Your policy of limited-dividend payments is, I think, thoroughly sound and adapted to systematic regulation—if it were carried out properly. The basic fault is your permitting existing stockholders to take new stock at par, when the market value is greater. To start with, the 9 per cent dividend rate, in a stabilized and developing business, is much greater than the current rate of yield required by investors. The market rate in recent years has been about 6 per cent. But upon a 6 per cent market basis, your 9 per cent common stock has an intrinsic market value of $150. If, therefore, you allow 9 per cent upon par value subscriptions, you are allowing 50 per cent more than the necessary cost of money, and are imposing to that extent an excessive burden upon your telephone customers. This is a criticism from the standpoint of rates paid for service.

If the stock were to be sold to everybody at the full market value, then there would be no real objection to dividends of 9 per cent, or any other particular percentage, so long as it is strictly limited and fixed. Each share of 9 per cent stock would bring $150 of cash to the company, and the actual rate upon new capital would be only 6 per cent; the public would still pay only 6 per cent, or the actual cost of money, instead of 9 per cent as fixed by the dividend rate. The market price would be the equalizer between the dividend rate and the market rate for the cost of money. But when you allow subscriptions at par, you are allowing the investors 50 per cent more than is necessary to get the new capital, and are placing excessive burdens upon the telephone users.

There is a further criticism from the telephone users' standpoint; the 9 per cent is really not limited in a permanent sense. Your company is legally free to raise the rate to 10 per cent or any other amount that it chooses, provided that it makes the payments out of accumulated surplus. While it may have the intention of holding to 9 per cent, you can hardly blame the public for unwillingness to help accumulation of surplus which sooner or later may be used to raise the dividend rate. The 9 per cent should be made permanent and new stock should not be issued to anybody at less than the current market price. This would be fair dealing with the telephone users.

Now consider the investors. Regulation today must be considered not only from the standpoint of proper policy toward service customers, but also from the standpoint of investors, who, as you claim, consist largely of people who are merely placing their savings in what they consider safe investments of practically assured incomes. For such people, your policy of issuing new stock to existing stockholders at par, notwithstanding higher market prices, injects a highly inflationary and speculative element into the stock, and is responsible for the rise and crash in the stock last year. Just look at the inevitable workings!

On the basis of 9 per cent dividends and 6 per cent yield, the value would be $150 per share, if all new stock were sold to everybody at the market price. All earnings beyond the 9 per cent would be reinvested in properties, and would merely add to the certainty and stability of the dividend payments. Under these conditions, the market price of the stock would stick close to $150. It would have but slight fluctuations, only as the market rate of yield might go slightly below or above 6 per cent. The conceivable range would hardly exceed 135 and 180, or 15 to 20 times the fixed dividends.

But your policy of allowing existing stockholders to take stock at par notwithstanding its higher market price, gives an additional return to every outstanding share above the $9 dividend to the extent that such rights are granted for the raising of new capital. Assume that for an indefinite future the company will raise new capital each year to the extent of adding annually 20 per cent to the capital stock outstanding, and it will allow every stockholder each year to subscribe to one-fifth of a new share for every old share that he owns. Observe the financial consequence of this right.

To start with, simply on the basis of 9 per cent dividends and 6 per cent yield, the market price of the stock is $150 per share. Let us begin with this figure. For every share of stock that I have, I shall expect to get a fifth of a share of new stock every year thereafter for $20, which, however, has a market price of $30 (1/5 of 150). Each present share, therefore, will bring me each year not only the $9 dividend, but also $10 in greater value of the new stock above the purchase price at par; a total of $19 a year instead of $9 in dividends. The net result is the same whether I take and keep the new stock; or sell it; or merely sell the *right* to the subscription at par.

The annual return on my single present share, therefore, is not $9 per year, but $19—so long as the policy of granting such rights is continued. But at a 6 per cent yield, the $19 a year has a market value of $317. If I can rely upon the continuance of the rights and the $9 dividends, every present share is worth $317, and I naturally would not sell it for less; nor would anybody else, and the market price would inevitably move up to that level, which is over 35 times the fixed dividends! And observe how remarkably close this theoretical figure of $317 is to the market maximum of 1929!

But consider the next step: Assume that a new market level has been attained at $317 per share—based on the continuance of the same fixed policy. Then, on that level, the right of every existing share will have an annual return of $9 dividends plus $217 (the difference between the new market price and par), a total of $226 a year per share. This, capitalized at 6 per cent, has a "value" of $3,766 per share. Take just one more turn of pyramiding. At this new level of market price, each existing share would have a future return per year of $9 dividend, plus $3,666. Capitalize again at 6 per cent, and you get a result so absurd that we stop!

The only *catch* in this analysis is the fact that no company can continue permanently, or even for many years, the stated policy of financing—granting each year for each outstanding share of stock the right to subscribe at par to one-fifth of an additional share. No such capital additions could be continued indefinitely, nor could the 9 per cent dividends be maintained for many years under such a system, even if all public restraints were removed from ratemaking. You cannot continue the policy long or systematically. But so long as it does continue, or to the extent it is followed, even if spasmodically, it does contribute an additional *value* to every outstanding share; for each issue, the difference between the market price and the par of the stock. This is a factor which works for higher market prices, without regard to the 9 per cent dividends.

In your talk before the League of Industrial

Democracy, you expressed wonder that your stock reached $310 last year; that this seemed to have little relation to earning power, being over 33 times the fixed dividends. But its explanation lies in your policy of issuing new stock at par, which the stockholders naturally expected to continue to some extent. The price of $310 was never predicated solely upon the limited dividend of $9 per share, but mostly upon the probability that each existing share would obtain future rights to such stock at par—to get 9 per cent stock on (say) a 6 per cent market! The extent that such rights would be realized was uncertain. It created a speculative element for your stock; it was the object of market bidding more than the $9 dividend payments. But the continuance of the rights is wholly an uncertain factor, depending altogether upon the decision of the company with respect to future capital needs and the selected methods of financing. When the rights are discontinued, the stock inevitably goes back to about $150 per share.

In conclusion, let me point out that the situation might furnish an almost irresistible lure to manipulate the stock. Why could not a small group of insiders control the policy for their own advantage—acquire stock at a normal level, develop the market through the issuance of rights for two or three years, and then unload to the public; next discontinue the policy, bring the market value back to normal, and repeat the process by setting the table over again? I do not believe that such a thing has been done, but it has its allurement. But your policy has produced gambling in creating an artificial market value which cannot be sustained. It has produced losses to stockholders, and will produce losses in the future. Any market price materially in excess of $150 per share is speculative and depends upon your policy.

This policy should be stopped in the public interest, and it ought to be voluntarily discontinued by the company, because of its obvious unsoundness as a method of financing.

Very truly yours,
John Bauer.

MR. O'CONNOR'S REPLY

Dear Mr. Bauer:

In reply to your letter of March 11, discussing the financial policy of the Bell System, I quote from the 1927 annual report:

"The American Telephone and Telegraph Company accepts its responsibility for a nationwide telephone service as a public trust. Its duty is to provide the American public with adequate, dependable and satisfactory telephone service at a reasonable cost. To attain this end, it is the policy of the Company to pay only reasonable regular dividends and, for part of the new capital needed, to offer from time to time new stock to its stockholders on favorable terms, for it believes this method of financing will provide the money needed for the business cheaply and with more certainty in good times and bad than any other."

With this understood, I see no point in our debating the matter in print.

Very truly yours,
(Sgd) W. J. O'Connor.

The inference of Mr. O'Connor's reply hardly represents what are probably the real purposes of the company. It undoubtedly desires criticisms that are intelligently and honestly made. I assume that it does not hold itself above discussing publicly any of its policies which have important public significance. I ask, therefore the following questions:

(1) Why pursue a contradictory depreciation policy—recognizing obsolescence as a matter of operating expense, but ignoring it as a matter of valuation?

(2) Why maintain a financial policy which, with respect to new stock investments, requires telephone users to pay 9 per cent upon new capital, when it could be obtained at 6 per cent, and which, at the same time, makes the market value of the capital stock extremely unstable?

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Little Revision of the New York Public Service Commission Law.—As the readers well know, the investigation during the past year of the workings of the Public Service Commission Law of New York resulted in disagreement as to just what should be done. The issues have been fully presented and discussed in an earlier number of the Review.[1] Both majority and minority views were incorporated in bills presented to the legislature. The minority bills were espoused by the governor and by the Democratic group of the legislature, but were not acted upon. The majority bills were taken up, in first instance, by the Republicans. Public hearings were held; but such stiff opposition developed on the part of the utilities, that the bills were amended until they represented little or no progress toward more effective regulation. There were four major bills. The first provided for a general valuation of utility properties; the second, for rate-making contracts between the state and the companies; the third, for the creation of a

[1] See, National Municipal Review for April, p. 266.

public defender in utility cases; and the fourth, for the extension of control over contracts with holding and affiliated companies.

With the exception of the holding company bill, the majority measures were vetoed by Governor Roosevelt, on the ground that they were ineffectual or injurious to the public interest. In his veto message, he set forth with great clarity the utility issue as it stands today before the people of the state. He thoroughly committed himself to the establishment of a fixed rate base and a system of rate-making under which the rights of both the consumers and the investors would be definitely stated and systematically protected.

According to present appearances, the issue as drawn between the governor and the majority of the legislature will go to the voters as the principal issue in the forthcoming gubernatorial election. While no popular excitement is likely to arise over questions of reproduction cost, actual cost, depreciation reserve, and like questions—there is reason to believe that the public is far from satisfied with conditions as they are, and is ready to support a more satisfactory system of regulation.

MUNICIPAL ACTIVITIES ABROAD

EDITED BY ROWLAND A. EGGER
Princeton University

The Administrative Reorganization of Greater Berlin.—To the students of metropolitan government who have speculated on the future of the government of Berlin, her recent *verwaltungseinteilung* will come as a distinct surprise. Textbook writers have assured us that Berlin is federal only in form, and centralized in fact—that her government is an example of administrative deconcentration rather than governmental decentralization. It has been the generally accepted opinion that the administrative districts into which the region is divided are doomed ultimately to the innocuous impotency of Queens or the Bronx. Little more than a year ago her *oberbürgermeister* assured the government that the *weltstadt* of the future must be a highly centralized and completely unified administrative unit. But Herr Böss has gone, and the new law belies his prediction. The Prussian *Staatsrat* early in the present year entertained a measure providing from many points of view one of the most drastic programs of decentralization which has appeared in recent decades.

The project is discussed in some detail by Dr. Mosheim, of the Prussian Home Ministry in his "*Die Reform der Berliner Verfassung.*" The substance of the law relates to the redefinition, in general terms, of the main functional allocations between the central administration and the twenty administrative districts into which Berlin is divided, and the reorganization of the central administration.

REDUCTION IN COUNCIL

The council of the central city government under the law of 1920 is composed of 225 members elected by bound list proportional representation. It is literally a miniature parliament, seating its members from right to left according to political complexion; on strictly party questions the party affiliants vote as national groups, and the interpellation and confidence votes are a regular part of the deliberative routine, in spite of the fact that they are without legal effect or sanction. The council is characterized by a competent observer as one of the "noisiest, least well-regulated, and most inefficient city councils imaginable." Although not presenting any comprehensive program of legislative reform, the new law does lay the groundwork for better organization by the reduction of its membership to a maximum of 150. The district assemblies, which in more populous districts had as many as 45 deputies, have been reduced to a maximum of 29. It is anticipated that this reduction in size of the district councils likewise will expedite legislative procedure.

ADMINISTRATIVE REORGANIZATION

Probably the most important feature of the reorganization is the introduction of the *bürgermeisterverfassung* in district administration. Dr. Roger H. Wells, whose research in German local government has been outstanding, in a letter to the editor some years ago, insisted upon this feature as an integral part of any program of administrative reform for Berlin. The further devolution of administrative duties upon the district organization under the terms of this act has doubtless precipitated the utilization of the centralized executive type of governmental layout.[1] The district *bürgermeister* is employed by the district assembly, and bears the same relation to that organization which the *oberbürgermeister* bears to the central administration. Furthermore, in all cases of conflict between local and central organs it is his duty to represent the district in their resolution.

The administrative jurisdiction of the central administration is prescribed with unequivocal clarity in paragraph 37 of the new law.[2] In brief, the authority of the central administration is limited largely to the approval of district budgets, the maintenance of auditing and accounting control, and the assessment and levy of taxes—in addition, of course, to the larger problems of regional interest which are centralized in varying degree, such as fire administration, welfare, technical education, public works, regional planning, transit, etc. A loosening of the fiscal ties is impossible at the present time, and agitation toward that end is not likely to yield any substantial concessions.

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[1] Under the 1920 law, the districts were governed by the district *magistrat*, a plural form of executive organization.

[2] Under the old law the district *magistrat* was compelled to perform, in accordance with the principles formulated by the *magistrat* of the central administration, the functions which that body assigned to it. See Reed and Webbink, *Documents Illustrative of American Municipal Government*, p. 508.

As Dr. Reed has pointed out, it makes no difference whether federalism is arrived at by consolidation and devolution, or by conditional annexation. For those who have had difficulty in classifying Berlin as federal in character under the old law because of the lack of any guaranteed *selbständigkeit* for the districts, the guarantees contained in the present law may prove comforting. But whatever Berlin has been, it is now definitely committed to a program of administrative decentralization.

The devolution which has occurred in the *Reich* capital is entirely logical. The districts into which Berlin has been divided represent a grouping of urban units which offer everything in the way of local self-consciousness and civic entity. The physical deconcentration and recentralization of the industrial, commercial, and residential areas of the municipality have provided a substratum of economic community from which the political life of the districts has gained tremendous impetus. The average poll in the municipal subdivisions has been over 70 per cent of the qualified voters for district elections; we have made less substantial showings in the United States. The subdivision of the *bezirke* into *ortsbezirke* is also doubtless a very considerable factor in the political revitalization of Berlin. It is just possible, in this connection, that the professors may be able to learn something from the ward-heelers. Whatever democracy may be worth as a national principle, there is no gainsaying von Leyden's maxim that "the more intense the political life in the small area, the more intense all public life."

EERLIN, PRUSSIA, AND REICH

The government of Berlin, in its relation to its superior administrative areas, occupies an entirely unique position. England retains the policing of its capital through its control of Scotland Yard; Paris is even more under the dictation of the central government than is the ordinary French provincial city; our own capital preserves not even the remotest vestiges of self-government. Except for the policing of Berlin by Prussian state police (which is, of course, true of every other city and all the rest of the area of Prussia), the governmental arrangements of Berlin have no appreciable variation from those of any other city. It is the capital of the *Reich*, the capital of Prussia, and the largest and most important city in Germany. And it is self-governing in a very real sense of the term. The jurisdictional conflicts arising between the central city and the districts are referred to a special arbitral board, formed from panels representing the areas involved.

The present act represents, in a number of its provisions, a considerable codification of the law governing relations of the city to the state. In certain phases of municipal action, however, decision is expressly reserved to state agencies:

1. The illegal or unauthorized assumption of added administrative functions.

2. The action, or failure of action, upon the part of the city, which concerns the preservation of local rights. (It is understood that, in some cases in which cause of action is shown as above, this will permit *bezirke* appeals on the point of local budgetary provisions.)

3. Entertainment of appeals from city intercession in inter-*bezirke* disagreements.

4. The power of the Prussian minister of the interior to instruct and enforce the inclusion of certain items in the municipal budget is preserved under the act, although the time during which, and the period for which, the item is to be included, is defined under the law.

The details of the administrative reorganization under this statute remain to be evolved. At best, the law indicates in general terms the broad lines of functional allocation which is sought to be attained. The district governments of the six *bezirke* which were carved out of the area of pre-war Berlin, as well as the governments of the consolidated districts, have in the last decade secured organization and standing. The general process of governmental devolution has been delayed because the districts within Berlin were forced to construct their administrative organization from the ground up. The central city government has, in fact, administered a number of the district functions of these districts since the act was passed. The outlying areas were more fortunate, inasmuch as they were formed around an already well-organized and efficiently functioning nucleus—

the administrative organization of the largest previously existing municipality within the district. Decentralization has naturally been delayed, however, until the weaker units could be built up to a condition permitting the efficient administration of the functions which would fall upon them in the process of devolution.

Germany has definitely renounced the principle of competitive federalism as regards her cities and their superior units. While the *Landgemeinden* and *Landkreise* have suffered as tax-receiving districts, the urban areas have retained those functions which logically may be performed best by administrative organizations of their geographical and personal jurisdiction. It is only by an acceptance of the limits of centralization that constant and devitalizing organic readjustment can be avoided. If minor administrative subdivisions are inadequate for the performance of functions peculiar to their jurisdiction and best administered by small and homogeneous areas, the governmental unit must be built up rather than the function transferred. The administrative theory of German experts in this connection, as well as its practical application, will be studied with vital interest by American political and administrative realists.—*Reichverwaltungsblatt*, March 29, 1930.

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Population Density in Santiago, Chile.—One of the most illuminating studies of population density which has appeared since the work of the New York Regional Plan is that of Dr. K. H. Brunner—"*La Densidad de la Poblacion de Santiago.*" The map which accompanies his study illustrates in very effective fashion the principles of urban growth which have been noted by Chiodi, Weber, Poetè, and others.

The study shows an evident decline in the population at the center of the city—an absolute loss. Concomitantly, on the outskirts of the municipality and across the outlet of the Cerro San Cristobal, nuclei have arisen which are far more dense than the central portion. The entire city, however, relatively speaking, has a low population density. In only two sections, Comuna Santa Ana and Comuna Cañadilla, does the concentration of population become comparable with that of continental cities. In these two communes the density is 560 and 540 inhabitants per hectare, respectively. As Dr. Brunner notes, however, this is rather high concentration for an average South American city.

The south of the city has absorbed a considerable portion of the residents of the downtown area. It consists very largely of comfortable villas and moderate and large estates, arranged around one of the municipal parks and the Club Hipico. To the north and west the city is largely taken over with the little manufacturing of the region and the homes of "*la gente de pequeños recursos.*" As might be expected, the areas of highest concentration are between the edges of these relatively new sections, which formerly composed the residential barrier of the municipality, and the commercial section. The overcrowded portion is a slum or blighted area, created by the vicissitudes of altering land values and uses.

The population density of the city as a whole is slightly under 300 persons per hectare. The density of Paris is slightly over 350.

Dr. Brunner points out the necessity of the stabilization of land values through zoning and regional regulation, and of eliminating the blighted area containing the high population density of the present city. In consideration of the climate and the habits of living of the people of Santiago, he believes that the municipality is already overcrowded, and that action should be taken to insure decentralization of its population—not from the central, downtown area, but from the overdeveloped secondary area.—*Comuna y Hogar*, February, 1930.

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The English Slum Clearance Act.—In this section for March, the inadequacy and incompleteness of the legal regulations under which English municipalities operate in slum clearance projects were noted. In this connection the housing bill which has recently been introduced by Mr. Greenwood in the Commons should prove of some interest. The bill contemplates three possible lines of action toward slum clearance. First, county and county districts are empowered, either at owner's expense or public expense, to compel the clearance of areas in which all the dwelling houses are unfit for habitation; secondly, by drawing up an improvement scheme the same officials will have the power to deal with areas in which some houses need demolition, while others, by reconstruction and repair, can be restored to a condition fit for habitation; thirdly, the bill permits an extension of the 1924 Housing Act with reference to public assistance in reconditioning single dwellings under private ownership.

Of primary interest is the first section of the measure. It is proposed that the locality shall have the authority to compel the demolition of the insanitary buildings at the owners' expense. The ownership of the soil remains with the original owner, who is free to develop the site, subject to the building ordinances, in the manner by him deemed appropriate. The cost of rehousing the persons thus displaced meanwhile falls upon the community. On the other hand, the locality is authorized to purchase the land and itself demolish the buildings. The site value of the cleared area becomes its purchase price in this case. The first clause of the bill is entirely praiseworthy so far as it deprives owners of unhealthy property their opportunity for illicit gain, which must ultimately be paid from the communal health. Its application is, of course, limited to the extent to which the local authority has already provided accommodations for displaced people, or by the number of unoccupied tenements within a reasonable distance of the site to be cleared.

Considerable debate has arisen over Clause V (third proposal quoted above), both because of its inroads upon the exchequer, and also because of its possible effect upon the general housing situation. While the matter of treasury subsidization is a purely local one and of no interest from a general point of view, the discussion of private subsidization in reconstruction generally is of compelling significance.

Among housing experts there is a tendency to discount the reconstructed building as a contribution to better conditions. Generally a large outlay is required for the alteration of old premises, while the returns in modern conveniences obtained are at a minimum. Moreover, reconstruction has been noted to retard the erection of buildings urgently required. Again, no evidence has been advanced to indicate that the dwelling can be offered cheaper in reconstructed habitations than in newly constructed houses. Furthermore, it is argued that the authority of the locality to advance money for repairs on a generous scale will encourage the realtors to engage in the acquisition of property of dubious condition. If public aid is made too easy to obtain, the market for decayed houses may become a very profitable field of operation.

The time when the United States will be forced to give official cognizance to projects of slum clearance is not far removed. The difficulties of the English central and local governments in this connection may be studied with much enlightenment. At the same time, there is reason for believing that housing, zoning, and planning probably ultimately will demand an entirely different public land policy from that which has evolved under the "rule of law."—*The Municipal Journal*, April 4, 1930.

GOVERNMENTAL RESEARCH ASSOCIATION NOTES

EDITED BY RUSSELL FORBES

Secretary

Recent Reports of Research Agencies.—The following reports have been received at the central library of the Association since April 1, 1930:

Municipal Reference Bureau, University of Cincinnati:
Real Estate Department as Administrative Units in City Government.
Hawaii Bureau of Governmental Research:
Report of the Director for the Year 1929.
Ohio Institute:
Soundings in the General Property Tax System of Ohio.
Bureau of Municipal Research of Philadelphia:
Auditing Control and Purchasing Procedure in the Municipal Courts of Philadelphia.
Research Division, Ohio Chamber of Commerce:
Taxation Systems.
Schenectady Bureau of Municipal Research:
Long-Term Financial Program for the City of Schenectady, N. Y. (*Printed*).

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California Taxpayers' Association.—The Association has submitted a brief to the state legislative commission investigating the public improvement laws of the state. The Association recommends many important changes in the present law.

An analysis of the road finances and operation of the fourth road district for Kern County, California, for the fiscal year ending June 30, 1929, has been completed.

A preliminary survey of the city and school district of Alhambra was recently completed by the Association's research department. The object of the survey was to give a bird's-eye view of the major activities of the Alhambra government so that taxpayers could more intelligently participate in public affairs. One of the interesting phases of the report is the section which deals with the future problems of the city. These questions principally concern the water department, fire department, and the highways.

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The Good Government League of Fort Worth.—After several months of studying the local public school situation, the Good Government League reached the conclusion that the school board had lost the confidence of the public through its political methods and its failure to consider constructive suggestions. The League, therefore, decided that a new board was necessary before any improvements could be expected in the operation of the system, or any bonds voted for much-needed buildings. Feeling that this was necessary, they entered actively into a campaign to secure a board of the proper calibre, at the April election.

A few days before the election the president of the board, whose term expired in 1931, resigned, and a prominent man was appointed in his place. The election was entirely satisfactory, three capable new men being elected, giving a majority of new men on the board of seven.

Their task will be to restore the confidence of the public, and in this the Good Government League plans to assist in every possible way. The board in its first two meetings has already set about determining who shall be called in for a survey of the school system, and prospects are bright for great improvement in the school situation in the next few years.

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Department of Civic Affairs, Indianapolis Chamber of Commerce.—A brief on income taxation, with impartial arguments for and against, and suggestions to be incorporated in a state income tax law if it is deemed desirable to make use of this form of taxation, has been submitted to the Indiana tax survey committee by the special taxation committee of the Indianapolis Chamber of Commerce. The brief was prepared by Professor Charles R. Metzger of Indiana University, and a practising attorney of Indianapolis. The Indiana tax survey committee was appointed by Governor Leslie to investigate the methods of taxation and to submit recommendations to the 1931 Assembly.

A brief showing the effect of an excise tax of ½ cent per kwh. of all electric power consumption, as a substitute for the 7-cent per $100 state property-tax for aid to common school districts, has been prepared by William H. Book, director, for submission to the tax survey committee at an early date.

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Institute for Government Research, Brookings Institution.—Paul V. Betters, who formerly was connected with the School of Citizenship and Public Affairs, Syracuse University, and the Syracuse Municipal Research Commission, has joined the staff of the Institute for Government Research. Mr. Betters recently served as a member of the research staff to the Commission on Revision of the Public Service Law in New York state.

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Kansas City Public Service Institute.—A complete survey of the health conditions in Kansas City has been begun under the auspices of the chamber of commerce. The survey will be directed by the administrative practise committee of the American Public Health Association, and most of the detailed work of gathering information is to be done by the Public Service Institute. The survey will cover all public and private health agencies, the facilities and equipment of private hospitals, and the administration of public hospitals. Work has been begun on the survey, which will probably take six months for completion.

County Government.—It has been suggested to the county court (the county commission in Missouri counties) that it appoint an unofficial charter commission to prepare a plan for the reorganization of the government of Jackson County, in which Kansas City is located, within the limitations of present constitutional provisions. These limitations are such as to permit almost a complete revision of the organization of the entire county government. If the plan materializes, as seems very probable at present, the commission will, during the summer, draft a complete law for the government of Jackson County, to replace the voluminous, detailed, uncoördinated laws which now apply. It is the plan to have this law ready for introduction at the next session of the legislature.

County Sewer District.—The Public Service Institute has just completed a report on a plan for providing sewer facilities for a suburban district organized under the name of the Jackson County Sewer District No. 1. The district is a partially built-up suburban district very badly in need of sewers. Under the law, a board of supervisors has been appointed and a sewer plan prepared and tentative assessments of the cost made. The plan, the operation, and particularly the assessments have aroused a great deal of opposition in the district, and the Institute was asked to make a study. The report criticizes chiefly the method of levying the assessments and the inequity which has resulted.

Special Assessments.—A report on the amount and purpose of special assessments in Kansas City during the twenty-one years from 1909 to 1929 has just been completed. It is in the nature of a preliminary report giving basic information necessary to a further analysis of the special assessment procedure in Kansas City and possible improvements in that procedure.

Police Finances.—The usual dispute between the police department of Kansas City and the city administration was particularly bitter in the past year. Kansas City's police department is operated by a board appointed by the governor of the state. Under the law, the department submits its budget request to the city council, and the city council cannot question the amount. Usually the police department is willing to compromise and accept less than it has requested. Last year, however, the city manager recommended a very large reduction in the police budget, and the council appropriated the amount recommended by the city manager. The reduction would have put the police department back on a spending basis equal to that of 1920. The police immediately filed suit, which was fought through the Supreme Court, with many hearings and great expense.

The court decided in favor of the police department except that it eliminated from the police budget a few positions which it held illegal, since they were not provided for by state law. The city had made no provision for a reserve fund to pay the police department in the event that the city lost the suit. The police department had continued to operate as though it were to receive all that it felt was needed. The result was that the department spent $1,400,000. The city had appropriated $1,150,000, and before the year was over allowed $50,000 additional, making a total of $1,200,000. Since the suit was decided in favor of the police department, the city did not have the $200,000 necessary to pay all police expenses for the year. The result is that the police employees have not been paid for six weeks, and bills have been unpaid for longer than that. The police department, for the year beginning May 1, requested $1,478,000, and the city council has appropriated $1,250,000. Unless the council increases the appropriation, the police department will undoubtedly file suit and go through the entire procedure again. The city is having a serious financial problem to provide the necessary funds, but undoubtedly will have to increase the appropriation.

Sinking Fund Levies.—The Public Service Institute has made its annual recommendations to the city council in an effort to persuade the council to levy an adequate amount for sinking funds in the current budget. Again the council, on the recommendation of the city manager, levied nearly one mill on the dollar too low to take care of sinking fund needs. Sinking fund deficits are piling up rapidly.

Pensions.—The Institute is preparing a report on the firemen's pension system of Kansas City, showing that the system is in a serious financial condition. An effort will be made to secure the adoption of a sound actuarial pension law, for both police and fire departments, in the next session of the legislature.

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Philadelphia Bureau of Municipal Research.—There has just been published by the Thomas Skelton Harrison Foundation the third pamphlet in its Philadelphia municipal court survey series. It presents a report by the Philadelphia Bureau of Municipal Research on the domestic relations division of the municipal court, made in the course of the survey of the municipal court begun in 1925 at the request of the then president judge. The study was made, and the report written by Mr. Fred R. Johnson, at that time chief probation officer in the Detroit recorder's court, now general secretary and state superintendent of the Michigan Children's Aid Society.

This is the first published report in the survey series which discusses the quality of the municipal court's social work. The survey indicated that the domestic relations division was accepting responsibility for many cases which it could refer to other agencies and which might be more satisfactorily handled by other agencies; that it was not using to full advantage the social resources of the community. It also indicated that the division was devoting insufficient attention to supervision after court hearing, the objective of which is to steer families clear of further difficulties.

Among the other questions dealt with in the report is the advisability of continuing the labor bureau, which acts as an employment agency and makes inquiries about income of those against whom charges of non-support are lodged. It was doubted "whether the best method to approach employers in an effort to find employment is through an agency of the court" and the surveyor felt that the bureau's investigatory functions might better be transferred to the probation officers.

Copies of the report are available free of charge on application to the Bureau of Municipal Research, 905 Social Service Building, 311 South Juniper Street, Philadelphia, Pa.

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Schenectady Bureau of Municipal Research.—The committee to study the report on the condition of space utilization of schools has been enlarged. It is expected that this survey will be approved shortly by the board of directors and its findings and recommendations published.

Additional work has been done on the police survey which was started several weeks ago. Spot maps showing crime distribution have been prepared, as well as maps showing the location of traffic accidents. A study of the police personnel is now under way.

⁂

Bureau of Civic Affairs, Toledo Chamber of Commerce.—J. Otis Garber, secretary of the Bureau of Civic Affairs, resigned effective May 10 to join the staff of the Bureau of Municipal Research of St. Louis to work on problems of taxation and municipal finance. He has been secretary of the Bureau since January 1, 1929, when it was established. Prior to that time he was secretary of the Toledo Commission of Publicity and efficiency for a year, and before that was assistant professor of municipal government at the University of Toledo for two years.

NOTES AND EVENTS

EDITED BY H. W. DODDS

Sherrill Resigns as Manager of Cincinnati; Dykstra Named Successor.—On Tuesday afternoon, April 22, 1930, the Cincinnati papers carried streamer headlines announcing that City Manager C. O. Sherrill had tendered his resignation in order to become a vice-president of one of the large grocery chains. Mayor Russell Wilson, in his announcement of the resignation, pointed out that the salary inducement of the new position was much greater than the city managership offers.

The council immediately undertook a thorough canvass to find a successor qualified to carry on the administration on a high plane and in accordance with city manager principles. The selection fell upon C. A. Dykstra, who needs no introduction to the readers of the REVIEW. Mr. Dykstra is professor of government at the University of California at Los Angeles, and director of personnel and efficiency in the department of water and power of the city of Los Angeles. He was at one time secretary of the Citizens' League of Cleveland, later becoming secretary of the City Club of Chicago, and afterwards secretary of the City Club of Los Angeles.

Colonel Sherrill has served as city manager since the plan went into effect on January 1, 1926. In his four years and some months of service he and the city councils with which he has served have made a remarkable transformation in the governmental services and in the physical improvements of the city. With the confidence and support of the people they have been able to rebuild streets and to open new thoroughfares upon a scale new to Cincinnati. The city rehabilitated its ancient workhouse; resumed operation of the General Hospital; acquired an airport; and entered upon a program of expansion of all public services.

City Manager Sherrill is a West Point engineer and came to Cincinnati from a colonelcy in the regular army, assigned at the time to service as Director of Public Buildings and Public Parks of the National Capital, Washington, D. C. To some extent his army background, combining with local circumstances, gave distinct effects in certain aspects of administrative organization and nomenclature. Without exhibiting any marked departures from the accepted principles of city managership, Cincinnati's development of it has not been upon any stereotyped pattern. His resignation came as a distinct surprise to the people of the city, and indeed had not been intimated to the council members more than a short time.

EMMETT L. BENNETT.

Municipal Reference Bureau,
Cincinnati.

*

Philadelphia Opens New Subway.—On April 20, 1930, the Philadelphia South Broad Street subway was opened to traffic. This stretch of subway is 3,020 feet long, extends from South Penn Square at City Hall to Kater Street, and has two stations, Walnut-Locust, with two island platforms 550 feet long, and Lombard-South, with one island platform of the same length, so arranged that another platform can be introduced at some future time. For approximately 2,289 feet south from South Penn Square, there are four tracks, and for the remaining 731 feet there are two tracks. Three 1,200-gallon sump pumps, under automatic control, lift the drainage water into a sewer. At the stations colored tiles are used, two tones of green at Walnut-Locust, and red and tan at Lombard-South. Comfort stations are provided.

Above the tracks of the subway is a passenger concourse extending 1,600 feet south of South Penn Square. This concourse is from 96 to 104 feet wide and 9 feet 2 inches high. It has a floor depth of 16 to 25 feet below street level. The concourse is reached by 17 sidewalk entrances and through the Real Estate Trust, Fidelity Trust, and Mitten Buildings, and the Ritz-Carlton Hotel. These stairways are from 6 to 8 feet wide.

Construction started August 31, 1927, and the approximate cost was $10,000,000.

The South Broad Street subway is a continuation of the North Broad Street subway which was opened to traffic September 2, 1928, and which extends from Grange Street to City Hall. The total length of the subway structure from Grange to Kater Streets is seven miles and the cost to date has been approximately $103,000,000. The first three months after the North Broad Street subway was placed in service it was operated by the Philadelphia Rapid Transit Company on a tentative rental basis of $200,000 per month. Since then it has been operated under a "gentleman's agreement," that when a contract is later entered into it will be made retroactive. This arrangement now applies also to the South Broad Street subway.

Philip A. Beatty.

Philadelphia Bureau of Municipal Research.

⁂

Boston's High Fire Losses Surveyed.—Sweeping recommendations for the reduction of Boston's extremely high fire losses are made in a detailed report on "The Problem of Fire Waste and Insurance Rates in the City of Boston," presented by the Mayor's Committee on Fire Insurance Rates.

The recommendations are based on a survey conducted for the committee by Miller McClintock, director of the Albert Russel Erskine Bureau in Harvard University. The survey analyzes in great detail every aspect of the city's fire problem, and is the result of seven months of intensive study by a field engineering staff under the direction of Horatio Bond, field engineer of the National Fire Protection Association, and chief engineer of the survey. The results are presented in a 300-page report including over 150 tables and charts which emphasize the microscopic character of the survey.

In general the report finds that Boston's insurance premiums are not excessive as compared with other cities with equal fire losses. Boston's premiums total approximately $9,000,000 a year, which impose a burden of approximately $50 a year on the average Boston family. Yet the survey points out that Boston has had a higher per capita fire loss than any other large city in the country.

Comparison with other large cities shows Buffalo next in per capita fire losses for the five-year period taken by the survey. St. Louis ranks third, and New York fourth. Following New York are Pittsburgh, Detroit, Philadelphia, Baltimore, Cleveland and Los Angeles.

Boston has nearly twice the annual fire loss of Baltimore, a city of about the same population, and about the same annual losses as Philadelphia and Detroit, cities more than twice her size.

"It is quite possible to reduce the fire losses in Boston by one half," the report states. "If losses were so reduced and the reduction sustained, a reduction in rates would reasonably follow."

The report discloses a marked reduction in insured fire losses during the past two years under the improved present administration of the city fire department, losses having been cut from the $5,000,000 a year average for the period 1923–27 to $3,700,000 in 1927 and $3,500,000 in 1928.

Factors primarily responsible for the high fire loss, according to the report, include faulty building construction, limitations of personnel of the fire department, ineffectiveness of the state department of public safety, and the negligence of individual property owners.

"Because of unwise entrance requirements the fire department is not attracting the highest grade of personnel, and adequate retirement provisions are lacking. The best men in the department are held to the level of the poorest. Systematic education and training of officers and men can no longer be ignored by a modern department."

The average age of men in the department was found by the survey to be 40 years, which the report declared to be too high. Recommendation is made that the maximum age limit for admission to the department be reduced from 35 years to 25 years.

"Boston has already paid and may yet pay more dearly for the character of her buildings housing valuable stocks in the business portions of the city. Brick walled buildings with wooden interiors are essentially furnaces with the doors and windows potential draft openings. The report shows that most Boston dwellings have similar defects and indicates that the serious fires which have been occurring in apartment houses have been due to the spread of flames through unstopped interior walls and up unprotected stairways and unenclosed vertical shafts."

The report makes a strong indictment of the Boston building code, stating that in its present form the code tends not only to discourage improved types of construction but to stimulate the erection of the types of buildings now responsible for the city's bad fire record.

Colorado University Runs Police Training School.—A police training school was conducted by the University of Colorado from May 5 to 17. The school was administered in the same manner as other university short courses. Policemen were expected to attend every session, and were graded upon attendance, interest, punctuality, and proficiency. A certificate from the university was granted to those who satisfactorily completed the work.

⁂

The Illinois Legislature came together on May 12 to consider financial legislation with particular reference to Chicago. Following confirmation of the revised assessments, Chicago is now receiving tax money for the first time in two years. Reports indicated that the tax bills for 1929 will be 25 per cent higher than those for 1928, breaking all previous tax records for the city.

⁂

Public Defender Proposed for Detroit.—The total fees paid to attorneys assigned to defend poor people accused of crime in the recorders' court of Detroit have increased from $52,000 in 1925 to $113,000 in 1929, according to the Detroit Bureau of Governmental Research. The Bureau points out that in actual practice the services of assigned attorneys are sometimes perfunctory, that the assignment of cases may constitute political patronage, and that the total cost runs into an increasingly large sum of money. For these reasons the substitution of a public defender for assigned attorneys is suggested for consideration.

⁂

To Raise Pay of D. C. Commissioners.—The Washington Chamber of Commerce is behind the Capper Bill to increase the salaries of the commissioners of the District of Columbia to $10,000 per year. It will be recalled that Louis Brownlow, who had been receiving a salary of $5,000 as president of the governing board of the national capital, resigned one day to become city manager of Petersburg, Virginia (population 30,000), at a salary of $10,000 per year. Surely the nation can afford to be less niggardly toward those to whom it entrusts the safety and welfare of its capital.

⁂

Election of President by P. R.—The constitutional amendment proposed by Congressman Clarence F. Lea of California to abolish the electoral college and elect the president and vice president by popular vote was the subject of a hearing before a congressional committee in March. The proposal is to abolish the electoral college without disturbing the relative voting power of the several states. Each state would still be entitled to the same number of electoral votes as at present, but the state's quota would be distributed among the candidates in proportion to popular votes received. The candidates receiving the greatest number of electoral votes in the whole nation would be elected. C. G. Hoag and George Hallett, Jr., testified before the committee in favor of this system of proportional representation for the election of president and vice president.

⁂

New Jersey's New Planning Law.—By action of the recent legislature, New Jersey now has a modern and effective city planning law. Municipalities are now authorized to create planning boards qualified to prepare master plans with teeth in them. Except as shown in the plan, no streets, parks, public buildings, or major public utilities can be authorized without the consent of the planning commission, whose negative action may, however, be overruled by a two-thirds vote of the local legislative body. Changes in the official map contrary to the advice of the commission can likewise be made only by a similar two-thirds vote. The planning board may be empowered to prevent the filing of plats without its approval, in which case no buildings not having access to streets on the official map can be erected. Buildings in the beds of mapped streets can likewise be prohibited unless the board of adjustment authorizes them by specific grant. In important essentials the New Jersey law is thus seen to be similar to the New York statutes. Both rely upon the police power for justification of governmental control over what were once considered purely private affairs.

⁂

A New Personnel Law in New Jersey.—One of the acts which should weigh heavily on the credit side of the 1930 session of the New Jersey legislature is the adoption of a complete revision of the civil service laws for the state service.

New Jersey has had a merit system since 1908. Its administration has been generally progressive. As a result of one of the legislative investigating committees the old commission was charged with violation of some of the provisions of the law and removed from office. A new commission was appointed a year ago.

This commission has apparently taken its job seriously and its first annual report to the governor and the legislature created state-wide interest. The new commission discussed frankly the difficulties involved in effective personnel administration in the public service, pointed out the weaknesses as well as the strong points in the existing law, and presented in the form of a bill a complete revision of the numerous existing laws which should apply both to the state service and to the counties and municipalities which have chosen by referendum vote to operate under the civil service laws.

Some objection was raised on the part of the counties and municipalities that the proposed law gave too much power to a state body over employment matters in local governments and after considerable discussion it was agreed to delay for a year a change in the laws as they apply to cities and counties.

The new law, therefore, applies only to the state service and involves something like ten thousand positions. It provides for a modern classification of duties and the adoption and administration of adequate compensation plans. The commission is given control over the creation of new positions whether temporary or permanent and is required to establish a uniform policy with respect to hours of work, leaves of absence, attendance and standards of performance applicable to all employees in the classified service. Judged by the standards set up by those who have given most thought to this part of public administration, it would appear that the New Jersey law is among the very best that have been adopted in the country. Students of government will watch its administration with a great deal of interest.

Charles P. Messick.

Civil Service Commission
of New Jersey.

Ohio County Government Conference.—Committees of the Ohio Chamber of Commerce and the Ohio Tax Association have been at work for several months on a draft of a constitutional amendment on county government. At a conference in Columbus on May 22, which was attended by civic and commercial leaders from all parts of the state, a plan of procedure was thoroughly discussed. An amendment which had been sponsored by the Cleveland delegation at the last general assembly formed the basis for discussion. This amendment would have granted a limited home rule to counties which chose to adopt its provisions, under complicated safeguards which had been insisted upon by the rural group.

It was pointed out that two problems are involved: first, reform of county government in general, and second, metropolitan government for the larger cities and their suburbs. It was suggested that city-county consolidation should be made possible and that counties should be permitted to consolidate if the burden of supporting a county government proved too heavy. It was evident from the discussion that further deliberation was needed.

The conference adopted a motion declaring that reform in county government was imperative, and requesting the chairman of the conference to appoint a committee to consolidate the benefits of the discussion into a concrete proposal. The committee was instructed to work quickly and to report to a later meeting at such a time as would permit the submission of the amendment at the polls through the initiative in November, and to the general assembly in 1931. The information collected by the committees which have been working on the project will be made available to this new committee.

Harvey Walker.

Ohio State University.

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THE LEAGUE'S BUSINESS

1930 Meeting.—The National Conference on Improving Government will be held in the Statler Hotel, Cleveland, Ohio, November 10, 11 and 12. As in 1929, the Conference will be sponsored by the following organizations: National Municipal League, Governmental Research Association, National Association of Civic Secretaries, and Proportional Representation League. In addition, the Ohio Conference on City Planning will meet at the same time and place, and there is some possibility that the Ohio Municipal League and the American Legislators' Association will join with the other groups in this year's Conference.

Mayo Fesler, director of the Citizens' League of Cleveland, has taken the lead in extending the invitation from Cleveland, and all the local civic organizations will support the plans for the 1930 Conference. A strong local committee on arrangements is being organized. The committee will be headed by the Honorable John D. Marshall, mayor of Cleveland; and the mayors of suburban villages, as well as national and state organizations, will participate.

Mr. Fesler has accepted the chairmanship of the program committee. At his request a number of other individuals have agreed to serve with him on the program committee, whose personnel will be as follows:

Mayo Fesler, director, Citizens' League of Cleveland, *chairman*
John B. Blandford, Jr., director, Cincinnati Bureau of Governmental Research
George H. Hallett, Jr., executive secretary, Proportional Representation League, Philadelphia
W. P. Lovett, executive secretary, Detroit Citizens' League
H. W. Marsh, civic director, the City Club of New York
Charlotte Rumbold, secretary, Ohio Conference on City Planning
Lent D. Upson, director, Detroit Bureau of Governmental Research
Harvey Walker, Ohio State University

The appointment of this committee assures the preparation of an interesting and worth while program.

*

Welles A. Gray Withdraws from League Headquarters.—Welles A. Gray, assistant director of the Municipal Administration Service, has been offered and has accepted a position as assistant in the Finance Department of the Chamber of Commerce of the United States at Washington, D. C. Mr. Gray joined the organization in July, 1928, and thus has rounded out two years of service. His work has commended itself to the members of the League with whom he has come in contact, and his withdrawal is a definite loss to the headquarters staff.

Russell Forbes, *Secretary.*

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EDITORIAL COMMENT

Death of Horace E. Deming

It is our sad duty to announce the death of Horace E. Deming, on June 11, in New York City. Mr. Deming was in his eighty-first year, and had retired from active work in 1925.

Mr. Deming was one of the founders of the National Municipal League in 1894. He served as chairman of the Executive Committee from 1902 to 1915. He was the one who introduced the resolution at the Louisville Conference in 1897 calling for the appointment of a committee of ten "to investigate and report on the feasibility of a Municipal Program." The importance of this resolution can scarcely be overestimated. Mr. Deming was made chairman of the committee which three years later reported "A Municipal Program" comprising a series of proposed constitutional amendments defining the relation of the city to the state together with a general municipal corporations' act to be adopted by municipalities upon vote of the people.

Mr. Deming belonged to that select group who determined to "do something about city government" in the early 'nineties, when our municipalities were a national disgrace. A strong and courageous type of man was needed for the task and it was such who rallied from all parts of the United States to form the National Municipal League. Among them Horace E. Deming was conspicuous. To him and them the present generation of municipal researchers, civic secretaries, progressive officials, and the public generally owe a heavy debt. Without their moral fervor, energy, and practical insight the profession of municipal administration, a lusty infant which seems destined to survive and overcome a none too favorable environment, would never have been born in this country.

⁂

Are There Limits to Skyscrapers?

Skyscrapers in the last few years have leaped another twenty stories nearer the sky. The Chrysler Building is 1,030 feet high as compared with the Woolworth Building's 790, and the Empire State Building now rising on the Waldorf site will be 80 stories. Hundred-story buildings are boldly talked of. These new pinnacles are the glory of New York for the moment. They stand, above lower roofs, here and there, bathed in sunlight, or like dream lanterns in winter twilight, or sometimes lost in cloud, as attractive to the office workers who work in them as to the beholders who glance up from the sidewalks! It would be a forlorn task to assail them as they are now! The long dark fingers of their shadows move across countless lower windows, lights burn longer in rooms that are many blocks away, but the shadow fingers move on as the sun's position changes, and few complain!

When the zoning laws were drawn and builders were permitted to go as high as they pleased on 25 per cent of the lot, it was not expected that towers would really go to the moon! And so the skyscraper in these recent years has been challenged as a dubious and meretricious newcomer. Lowering of the height limitation and of the cubic content has been proposed by the City Club of New York and various other parties whose business it is to worry about posterity, and a debate has gone on among architects and city planners which the little volume, entitled *The Skyscraper: A Study of Its Economic Height,*[1] is designed to cramp by that kind of modern scientific fact-finding which so interferes with free rhetoric!

This study authoritatively computes the net return to the owner on a building conforming to the New York zoning ordinance occupying such a block as those just south of Grand Central Station, 405 x 200 feet and costing $200 a square foot. It finds the point of greatest return to be 63 stories. At 75 stories and at 50 stories or less, the returns are less than at 63. A building of this height would house 16,000 office workers.

The book goes on to discuss the social implications of such a structure and canvasses a variety of arguments that have been offered, always finding a verdict in favor of the skyscraper. Some of the arguing sets up men of straw—no one, I think, seriously argues for a city of five-story buildings or denies that the modern business district should be built in three dimensions for convenience and efficiency. Such far-fetched comparisons do not meet the more modest actual contentions that are being made and which aim not to abolish skyscrapers but to bring them under tighter control than is provided in the present zoning ordinance which was adopted in 1916.

Questions that come to mind as this 63-story ideal money-maker is studied are as follows:—Is a cubage that accommodates 16,000 people on a 405 x 200-foot plot too great in relation to the current notion of sidewalk space? Too great in relation to the current provision of 60-foot streets and 100-foot avenues? Or must such monsters be required to draw back their skirts and contribute some of their plottage to solve the congestion they help to create in due proportion to their size?

Standing aloft above 10- and 20-story buildings, this great mass seems relatively harmless as a devourer of other people's light; but what will be the situation when the eight blocks across the street and across the corners are likewise built up? Will a group of such buildings so obscure each other's light and so darken the narrow canyons below that lights must burn all day in the first ten or fifteen stories the year round and the streets become abysms of gloom? Can we tolerate a scheme that looks forward to long streets walled in with 63-story palisades? It would take studies of present streets where 15-story apartments are massed and calculation of the shadow effect of towers beyond those cornices to estimate the results in terms of gloom. There are groups of blocks of solidly built buildings that rise much less than 63 stories here and there about the town—side streets near Riverside Drive and Park Avenue—that are already cheerless, sunless, and bleak!

---

[1] *The Skyscraper: A Study of Its Economic Height.* By W. C. Clark and J. L. Kingston. New York: American Institute of Steel Construction, 1930. 164 pp.

How about drawing 16,000 people to one half-block like this—yes, but wait a minute—and another 64,000 to similar buildings across the four streets and 64,000 more to the buildings diagonally across the four corners? Does it sound tolerable? And does it sound like relief when the authors in a moment of passing concern about access speak of sub-sidewalk connections into that grimy bottleneck of writhing humanity known as the Grand Central subway station?

The book is silent on the whole question of whether their 63-story economic triumph can be tolerated as a unit cheek by jowl with other units of the same sort. Let us require that such a building acquire easements to the borrowed light of all its neighbors and thus keep the next 63-story bulk a full block away and the economy will disappear!

The authors speak with high reverence for the zoning ordinance of New York, even though it has reduced the permissible cubage of their building by 48 per cent (in the case of a 75-story building). I still venture, in spite of them, to believe that, in this new era of heights above 50 stories, we glimpse a new series of menaces that were not recognized before 1916 and that must be studied now. The towers, it seems, may not be rare and occasional; they may very probably be massed. To keep the cubage of new buildings to a lower maximum, to keep the towers from showing over the cornice of the fifteenth story when you stand at the opposite curb would check the over-exploitation of salient corners and hold down land values a bit on certain conspicuous lots. But nearby plots would benefit by the forcing of population toward the low-built areas a block or two away and the next generation would have less necessity for squirming through jammed routes to sunless pigeonholes in darkened walls.

R. S. C.

*

Reënforcements in the Battle against the Slums In May there was organized the Housing Association of the City of New York under the distinguished presidency of Alfred E. Smith.

One of its purposes is to function, as do the Philadelphia and Cincinnati associations, as a leader in raising housing standards and in the rigid enforcement of housing laws.

Another purpose is to facilitate the financing and construction of low-cost housing. A housing foundation will be formed to act as a financial organization with power to lend and invest funds in housing projects and to build and manage houses. A fuller account of the newly formed association will be found in the Notes and Events department of this issue.

Without the organized backing of public-spirited citizens it appears evident that slum clearance will not be accomplished by private initiative operating under the Housing Law of 1926. In the words of Alfred E. Smith, "a very inconsiderable amount of new housing" has been built since the state housing law was passed. To date but four projects have been completed by limited dividend companies established under this law. None of them has involved the destruction of slum properties, and thus they cannot be said to be slum clearance although undoubtedly furnishing relief to some slum dwellers.

A fifth project to be completed this fall does invade the slum regions of the lower east side of Manhattan. It is on the old site of the Hoe Printing

Press Company. The limited dividend corporation which has it in charge is sponsored by the Amalgamated Clothing Workers of America. It will be a coöperative building requiring initial payments by tenant-stockholders of $150 to $200 per room and average monthly rentals of $12.50 per room. The low initial payment is made possible only by the continued financial support of Lieutenant Governor Lehman and Aaron Rabinowitz, who purchased the land originally and turned it over at cost to the Amalgamated. But it is clear that at a rental of $12.50 per room and under initial payments of $350 to $600, the new housing is beyond the reach of thousands of unskilled wage earners who can afford to pay no more than seven or eight dollars per room per month and who can never save enough to make an initial payment.

Obviously the problem of the unskilled, poorly paid worker still remains. City planning with teeth in it, together with a leveling up of the earnings of the lowest wage groups, will be necessary to cure the present spread between wages and costs. But before this can be accomplished we may have to go over to heavier subsidies and direct state participation in housing, when the public realizes more fully the iniquities and dangers of the slums.

European ventures in municipal housing are sometimes condemned because they do not pay their way. This is a fact, and England and other countries of Europe realize that slum clearance means a charge on the public funds. The housing bill now before Parliament illustrates how far England has gone in accepting housing as a governmental responsibility. This measure simplifies the procedure by which local authorities may prescribe areas for slum clearance or improvement, and empowers them to recondition or demolish isolated houses outside improved areas. It also increases the national subsidy to housing. The capital value of the new subsidy, according to the *Local Government News*, will be about $1,000 per person displaced and rehoused in the new construction. The national subsidy cannot exceed half the loss suffered by the local authority in supplying the new houses.

When it has been determined that a certain area should be cleared and rebuilt, the local authority may order either the private owner to clear the land himself or may purchase or condemn the land and demolish the buildings themselves. Nothing is paid for the buildings condemned, on the theory that when a house is condemned it is worth nothing, just as no compensation would be paid for rotten meat condemned in the hands of butchers exposing it for sale. Reimbursement is, of course, made for the land.

Since the war England has tried many experiments in her dealings with the housing problem. The feeling of the present government is that in the stress to provide new housing to end the national shortage too little attention has been given to the abolition of slum areas, many of which remain as a social and health menace to the community. The purpose of the measure now about to pass Parliament is to direct new effort to the ending of these blights.

*

Arthur C. Comey, city planner and review editor for the NATIONAL MUNICIPAL REVIEW, has been appointed assistant professor of city planning in the Harvard School of City Planning. Thomas Adams has been appointed assistant professor in the same school.

HEADLINES

PAGE Marco Polo! A city, streets of which are paved with gold, has been located at last. City Engineer William H. Gillen reports that there has been three cents worth of gold in each cubic yard of sand used to pave Milwaukee streets. Altogether, he estimates that there is about $48,500 worth of gold under foot in the Wisconsin metropolis.

* * *

Petitions are being circulated to recall Mayor Charles Bowles of Detroit. Approximately 80,500 signatures are required to hold a recall election in Detroit. The movement against Bowles followed his summary dismissal of Street Railway Commissioner Frank Couzens and Police Commissioner Harold H. Emmons.

* * *

Cuyahoga County, Ohio, is asked to support a $25,000,000 bond issue to build downtown subways which will clear the street cars off the surface and help solve the traffic problem. This would also spread the cost of the project over the entire county instead of making taxpayers in the City of Cleveland pay for the whole cost of construction.

* * *

An intensive drive has been launched by the Democratic City Committee of Richmond, Virginia, as twenty-six Democratic candidates for seats in the city council are opposed by four Republicans for the first time in many years.

* * *

A movement is under way for the merger of two villages, Tarrytown and North Tarrytown, New York, into a city on the ground that a substantial saving in taxes can be effected by the combination. The manager plan is being considered.

* * *

Following the summary dismissal of Colonel J. Franklin Bell as city manager of Covington, Kentucky, the council has appointed O. A. Kratz, manager of Dubuque, Iowa, to succeed him.

* * *

A survey of salaries in the city service of San Francisco made by the San Francisco Bureau of Governmental Research reveals that payrolls are running approximately $800,000 in excess of local prevailing rates.

* * *

Following the making of a $900,000 profit by the municipal light plant of Cleveland, the council reduced power rates, bringing city plant rates another step below those of the Cleveland Electric Illuminating Company.

* * *

Every successful candidate for the office of city councilman in San Diego answered affirmatively these two questions:

(1) Do you favor the city manager form of government?

(2) Do you believe that the charter provision giving the manager the sole power to appoint and making him responsible for the efficiency of departments should be strictly observed and that the council should keep hands off?

One way of getting councilmen to sign on the dotted line!

* * *

First steps towards revision of the city charter of San Francisco have been taken by a special subcommittee headed by Robert Searls, former assistant city attorney.

* * *

Hollis Thompson, secretary-manager of the Berkeley, California, Chamber of Commerce, has been appointed city manager of that city to replace John N. Edy, who becomes manager of Flint, Michigan, at a salary of $15,000. Mr. Edy has been manager of Berkeley since its adoption of the manager form of government in July, 1923.

* * *

The proposed city manager charter for St. Paul was defeated for the second time on June 16 by a vote of 28,553 to 20,888. Apathy of the non-machine voters was apparently responsible for the result. More than 125,000 citizens of St. Paul are qualified to vote.

* * *

The St. Louis board of aldermen has practically abolished the efficiency board by cutting its appropriation from $30,000 to less than $4,000. This board is the city's civil service commission, and, unless corrected later, the action of the aldermen means the abandonment of the merit principle in the city's government.

* * *

The Philadelphia Bureau of Municipal Research proposes a constitutional amendment to abolish the county of Philadelphia and to provide that such functions as are county functions in other counties shall be city functions in Philadelphia. Although the city and county were supposed to have been consolidated in 1854, a virtual county government remains for many purposes. The confused situation resulting can only be clarified by constitutional amendment.

* * *

A joint resolution proposing an amendment to the Ohio state constitution providing for home rule for counties has been drafted by a sub-committee of the Ohio State Chamber of Commerce of which Charles P. Taft, 2nd, is chairman. The amendment would also permit townships and municipalities within the borders of a county to grant to the county powers which they now possess.

Howard P. Jones.

LOS ANGELES VOTES EXTENSION OF WATER SUPPLY SYSTEM

BY THOMAS F. FORD

Los Angeles

Citizens approve $38,800,000 bond issue for normal expansion of water system until Colorado River project is finished. :: :: :: ::

Los Angeles, the fastest growing city in the million-or-over class in the United States, on May 20, by a vote of 9 to 1, approved of bonds amounting to $38,800,000. These bonds were for the increasing of the city's water supply sufficiently to enable it to continue its normal expansion until the waters of the Colorado River are brought in, some ten or twelve years hence.

The funds derived from this bond issue will be expended on a fifty-fifty basis, one-half for water and water-bearing lands and one-half for increased facilities for handling, storing and distributing the newly acquired water.

The additional water supply will come from the Owens Valley and the Mono Basin. The latter is a watershed about 60 miles north of the principal source of the city's present supply. This will insure the city 440 second feet from its aqueduct, which together with such water as can be pumped from the underground water sources in the Los Angeles River basin will give a water supply for approximately 2,500,000 people.

The election was significant for two reasons. The first is that the whole future development of the city hung on the decision of the people as to whether or not an adequate water supply was to be made available. The second was the revelation of the important fact that though the population of the city has increased five fold since the vote on the aqueduct was taken, making a practically new electorate, the same spirit of coöperation and progress was evidenced that prevailed back in 1907 when the Owens River Aqueduct project was first voted upon. The vote at that time was 10 to 1, the vote on the latest issue was 9 to 1. Many of the present voters have come to the city recently. There seems to be something in the climate of Los Angeles that imbues all citizens, new and old, with a spirit of faith in its future that makes for progress. When public improvements are needed the citizens have the vision and the courage to provide the funds.

The city's present water system is valued at $118,000,000. The annual revenue is in excess of $9,000,000. In addition to this the city owns its own hydro-electric system consisting of five major power plants and a distributing system valued at a sum in excess of $75,000,000, with a yearly gross revenue income of approximately $15,000,000.

WORK BEGUN IN 1907

Work on the Owens Valley Aqueduct started in 1907. It was completed in 1913. It involved the expenditure of $25,000,000 which was, to say the least, a major financial undertaking for a city with a population of less than 200,000. But the people backed it. Though the financial commitments were out of all proportion to the city's taxable assets at the time, it was carried by an overwhelming vote. It was a much more formidable enterprise than the present $38,800,000 commitment or, in fact, than will be the giant undertaking involved in bringing in the Colorado River water.

But the faith of the people was fully justified. In 1907 the gross annual production of manufactures was approximately $1,000,000. Today the gross value of manufactured products in the district is in excess of $1,300,000,000. There are approximately 5,000 manufacturing plants, attracted and fostered by low rates for both water and power.

Just what the waters of the Owens Valley have meant to Los Angeles is readily realized when we find that the city-owned bureau of power and light, using the waters of the aqueduct for motive power, has earned gross revenues in excess of $88,000,000 in the twelve-year period of its operation. It is, however, impossible to compute the vast amount of wealth that has been added to the city's store from these two utilities. If we take the $38,800,000 that have been saved the citizens on power rates alone, plus the increase in industries, expanded payrolls and general progress, we would arrive at a stupendous sum.

Suffice it to say in this connection that the city's assessed valuation in 1914 was $481,000,000. In 1930 that figure has arisen to over $2,000,000,000.

The waters of the aqueduct originating in Owens Valley, 250 miles north of the city, are passed through the five different power plants at varying levels along the line. Thus two major utilities are made available to the city: an adequate water supply for domestic, commercial and industrial purposes, and a supply of power, for all uses, sold at exceedingly low rates to the citizens.

The department is conducted by a board of water and power commissioners, five in number. The bureau of water works and supply is under the direction of H. A. Van Norman, as chief engineer. The bureau of power and light is under the direct charge of E. F. Scattergood, chief electrical engineer and general manager.

When the Owens River water was brought in, in 1913, it was estimated that a water supply sufficient for 1,500,000 people was assured. This population it was thought would be here in 1940. But owing to a series of dry years, in both Los Angeles and the Owens Valley, on the one hand, and an unprecedented increase in population on the other, all engineering and statistical estimates fell short. Hence it became necessary for the city, with its present population of 1,231,730, to take immediate steps to prevent a water shortage during the ten- or twelve-year period that it will take to make the Colorado River waters available.

This Colorado River water will be secured through the medium of the metropolitan water district. The district comprises ten coastal plain cities in addition to Los Angeles. The water will be brought in by means of an aqueduct approximately 300 miles in length. This aqueduct will carry 1,500 second feet of water, 82 per cent of which will be allocated to Los Angeles. This, it is estimated, will care for her needs for at least another generation.

MOVING PLATFORMS AS A SUBSTITUTE FOR STREET CARS

BY EMERSON P. SCHMIDT
University of Oregon

A new invention designed to replace street cars and subway trains.

A MATERIAL advance over Karel Capek's robots now is being put forward in Detroit, the city of belts, conveyors and machine tenders. This time it is to be a method of urban transportation which, if successful, is destined to dispense with motormen, conductors and all other train service men on all the rapid transit lines of the modern city. The consumer is to get the benefit; after construction, the operating cost is to be negligible.

The inventor, Mr. Herman E. Taylor of the Detroit municipal railway, has had constructed a complete working model which appears to operate perfectly. Briefly, two endless moving platforms will be set in an underground passageway, underneath the present sidewalks traveling out from the city's center on one side of the street and in on the other side.[1] Entering the tunnel, the passenger would pass through a turnstile and face the gates of an outer or variable speed platform. At frequent intervals this outer platform automatically would slow down to a speed of three-quarters of a mile an hour and the passenger would board the platform. Now he would face the inner platform which is always going 20 miles an hour.

Upon the ringing of a bell the outer gates would gradually close and then the first platform would speed up until it, too, was going 20 miles an hour, and the second set of gates would automatically open, allowing the passenger to walk over onto the inner platform to take one of the continuous succession of seats.

Upon arriving at his destination, he simply would step on to the outer platform, when it was going the same speed as the inner and then wait until the outer platform slowed down to three-quarters of a mile an hour and the gates were open, permitting him to step out. At the end of the route the platforms would loop and make the return trip on the opposite side of the street. The system would carry 70,000 seated persons past a given point every hour. They could board or alight at any point along the route. Every cross-street would be a loading point. No subway system in the world reaches such efficiency on a single track. With standees the Taylor system would probably equal the carrying capacity of a four-track subway system.

THE DRIVING MECHANISM

On the bottom side of the platforms are mounted driving pins which reach into the grooves of driving screws located beneath. These screws are driven by electric motors, and, as they revolve, the pins underneath the platforms mesh into the grooves of the screws, and thus the platforms are moved forward. The screws and motors would appear at intervals of about one-eighth of a mile. The screws beneath the outer platform have a constant high pitch at the two ends and a constant low pitch in the middle with varying pitch grooves leading from the high pitch at either end to the low in the center, thus moving the platforms from a high speed to a low speed and a high again as the pin traveling along the groove goes from one end of the screw to the other.

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[1] A "step railway," somewhat similar, was invented by a German named H. Retting about 1888. See *Street Railway Journal* for May, 1890, p. 261.

Several engineers have made careful investigations and announce the plan exceedingly ingenious, but fear that certain of the mechanical parts may not stand the strain, to which the inventor replies that it will be merely a matter of strengthening those parts, should the engineers prove correct, which he doubts. To a layman who has seen the platforms in continuous operation for a long period without a mishap or slip, all the objections advanced against the plan, however important, appear in the same light as the doubts of the pessimists during the infancy of the automobile and aeroplane industries.

Should the plan prove successful mechanically and financially it is destined to displace all the train service labor now engaged in our large cities in rapid transport and perhaps ultimately in all local street railways as well. Perhaps even the fare collector will be dispensed with, for then our cities may view local transportation as a free public function to be supported out of the general coffers just as a street lighting system or the streets and sidewalks themselves.

FOR A NEW MODEL STATE CONSTITUTION

BY HOWARD WHITE
Miami University

Time to overhaul our Model Constitution

THE Model State Constitution of the National Municipal League will soon be ten years old. Acceptance of the Jeffersonian principle that each generation should have an opportunity to determine for itself the proper form of government does not necessitate for several years submitting to its "constituents," the members of the National Municipal League, the question of holding a convention to revise the Constitution. It is, however, designed to be a Model Constitution. If it is to be used as a model it must be kept up to date. Ten years is not too brief a period in which to allow new ideas to develop before incorporating them in a revised document. The need for stability in basic institutions forbids yearly models but should not preclude decennial models.

What changes shall we make? Obviously, that is for no one person to decide. As a constitutional engineer—for this is the day of engineers in government—I suggest that there should be changes in the body lines of the new model as well as some modification of the mechanism.

THE CABINET AND THE LEGISLATIVE COUNCIL

The maximum of both power and speed from each gallon of gasoline contributed by the taxpayers, easy steering, effective control, and riding comfort for both front and rear-seat citizen drivers are objectives we must always seek to attain. The writer has pointed out elsewhere that too much friction is likely to develop from the dual steering mechanism involved in the legislative council and the governor's cabinet, both of which are empowered to formulate and propound programs for legislative deliberations.[1] As to which of these devices should be discarded, reasons and authorities have been adduced against giving an independent executive branch the right to present and debate legislative measures.[2] Finally, one new device, more frequent legislative sessions, copied from city council procedure, but remarkably suited to a unicameral body, has been proposed.[3] True, the need for more frequent meetings is in part obviated by providing for the continuously functioning legislative council. Moreover, the power vested in the majority of the council to call the legislature in special sessions might accomplish the result sought without verbal change. But it is believed that there should be express constitutional recognition of the desirability of frequent sessions.

Brevity, a short wheelbase, though desirable for some purposes, must not be obtained by sacrificing essential mechanism. Section 11 of the 1921 model contains some safeguards relating to criminal prosecutions. The right of trial by jury is assured, but there is no provision for a grand jury or an alternative method of presenting charges. Surely this feature must not be left out.

Another suggestion, if adopted, would further lengthen the 1930 model. Are members of the National Municipal League content to leave, even to their model legislature, redistricting after each decennial census? Disregard of similar provisions in state legislatures and in Congress may be attributed to undemocratic bases of representation, not found in the Model Constitution. But is it not better to incorporate full instructions in the constitution and authorize some executive authority to lay out the districts? The executive branch does not have the same personal interest in the retention of old district lines that members of the legislature have. Apportionment in accordance with specific constitutional rules is more an administrative than a legislative function.

In the second place, some new lines are needed in an up-to-date model. The first line causing a blurred and indistinct impression is in Section 27. "Any bill failing of passage by the legislature may be submitted to referendum by order of the governor if at least one-third of all members shall have been recorded as voting in favor of the bill when it was upon final passage." If the majority of the legislature are opposed to a measure, there seems to be no certainty that it will be advanced to a vote on final passage. If this constructive check on the majority is to be effective, should not the governor be empowered to submit any bill which the legislature refuses or neglects to pass, whenever one-third of its members *sign a petition* requesting a referendum? Or else require a final vote to be taken on all measures introduced.

INCONSISTENCIES

The next sentence in Section 27 provides for submitting to referendum by majority vote of the legislature any bill which fails to obtain the two-thirds vote to pass over the governor's objections. But Section 37 says that "no measure shall be submitted to the people by the legislature except proposed constitutional amendments." Should not "and except as provided in Section 27" be added? Surely this is a submission by the legislature.

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[1] NATIONAL MUNICIPAL REVIEW, August, 1926, pp. 441–444.

[2] *Constitutional Review*, July, 1928, pp. 148–156; ibid., April, 1929, pp. 101–102.

[3] *American Political Science Review*, February 1927, pp. 95–100; Dodd, *State Government* (2d edition), p. 170.

Section 37 also provides that "the veto power of the governor shall not extend to measures initiated by, or referred to, the people." Since the veto must be exercised within ten days or, after adjournment, within thirty days after the bill has been presented to the governor and since the referendum provided for in the preceding sections (34–36) cannot be invoked until the legislative process is completed, it seems unnecessary to retain the phrase, "or referred to." If it is intended to apply to the referendum by majority vote of the legislature, that intention should be made more evident.

Another peculiar line is found in Section 42, empowering the governor "in case of a disagreement with respect to the time of adjournment" to adjourn the legislature. Perhaps rightly has this provision been incorporated in many state constitutions which set up bicameral legislatures, but did not the committee which drafted the Model Constitution forget for the moment that it was providing for a unicameral assembly? Conceivably two houses might disagree on this question, but it seems highly improbable that one body should be unable to decide when to adjourn. Moreover, since the governor may adjourn the legislature "to such time as he shall think proper, not beyond the first day of the next regular session," this power, if exercised, might conflict with the power vested in the legislative council "by a majority vote of the members" (Section 18) to call special sessions of the legislature.

A portion of the last sentence in Section 63 is not clear. Probably this is a typographical error and "of" should be substituted for "in the district in." In Section 96 the reference should be to Section 95 and in Section 97 it should be to Section 40 instead of 94. This error has been noted in some of the copies.

Undoubtedly, others can suggest additional improvements, both in mechanism and in form. It is time for a new model! A new model will stimulate sales and aid in relieving unemployment.

THE IOWA COUNTY BUDGET LAW

BY JOHN W. MANNING
University of Kentucky

The new budget law for Polk County is good as far as it goes and will undoubtedly improve financial practice. It illustrates, however, the limitations which the prevailing forms of county government impose upon any attempt to apply thoroughgoing budget principles to an antiquated organization. :: :: :: :: :: :: ::

THE budget has come to be a necessity in both city and state government, but its introduction into the field of county government has been unusually slow. Polk County, Iowa's most populous county, which includes the city of Des Moines, has adopted a county budget, and is finding that it is proving a success.

In his recommendation to the legislature in 1929, Governor Hammill of Iowa recognized that county government in that state needed overhauling, and suggested study of the matter with a view to reorganization. The proposal originally came from the Bureau of Municipal Research of Des Moines. Nothing of a comprehensive nature resulted from the proposal, although the Forty-third General Assembly did enact a limited county budget law which has caused favorable comment throughout the country.

WHAT THE LAW REQUIRES

The bill providing for the county budget system was introduced by the senator from Polk County. The law is applicable only to counties having a population of one hundred twenty-five thousand or more. Polk County is the only county in the state having a population so large, and thus it is the only county to which the act applies.

Each county officer in charge of any office or department, in the county where the act applies, is required on or before December 31 of each year to prepare and submit to the county board of supervisors his estimate of proposed expenditures for the following year. The board, not later than January 31 of each year, may appropriate such amounts as it deems necessary for the maintenance of the various departments for the current year. The law states that the board may appropriate a contingent fund to be spent for purposes not anticipated at the beginning of the year, but this fund together with other appropriations may not exceed the anticipated revenues. However, the measure does provide that if the actual receipts to any county fund are larger than were anticipated, supplementary appropriations may be made if it can be shown that a specific need exists. In case any office has exceeded its appropriation in any particular account or finds it necessary to do so, the board of supervisors may authorize a transfer of funds from one or more of the appropriation accounts of the office. Transfers from one department or office to another may be made, provided that the funds transferred are derived from the same tax fund, and that the transfers do not violate existing statutes.

The state budget director and the Bureau of Municipal Research of

Des Moines have shown great interest in this reform in Polk County. The budget director permitted one of his assistants to give his full time for several weeks to the installation of the budget, on the theory that if it got a good start in Polk County, other counties would want to participate later in the provisions of the law. The state budget official set up the budget and helped the departments to compute their budget requests.

The board of supervisors is coöperating fully in the scheme, and, at its January meeting, reduced many of the expenditure estimates considerably. The estimates of expenditure of the county department heads in 1930 amounted to $1,455,550.76, an increase of $117,771.59 over last year. Appropriations made by the supervisors were less than the amounts asked for, and in the minds of a great many people in Polk County the budget has proved its worth from the beginning.

By adopting the budget plan, Polk County holds a unique place among Iowa counties, since it is the first to change the order of things. There is a crying need over the country for restriction in the cost of county government. In an effort to reduce expenses, county consolidation is being studied in several states, and tried in one American commonwealth; improved business methods are being suggested elsewhere, and the county manager is being discussed in other states. Certainly a county cannot lose anything by the adoption of a budget system, since it is the most logical place for an attack upon the wastes of county government. Polk County has already profited by its budget, and other counties in Iowa and elsewhere would do well to make use of such a method.

BUSINESS DISTRICTS IN SUBDIVISION PLANNING

BY CAROL ARONOVICI

City Planner

New methods of estimating area needed for business districts in a zone plan must be developed. There is no cut and dried formula. ::

Before me in trim outline lies a plan for a real estate subdivision. The plan covers enough acreage to accommodate a town that would be no mean county seat. There is also before me a letter from the subdivider admonishing me to provide ample business lots, the kind that take little room and command a high price.

Does my client mean that I should take into account the need for business frontage in harmony with local needs, does he mean that I should avoid inconvenience to his prospective purchasers so they would have adequate shopping facilities, or does he merely intend that I should create a sufficient business frontage to saturate the prospective market as measured in terms of high pressure sales power?

The planner is rather in a quandary when placed between the millstones of diplomatic handling of an unreasonable client and prophecy as to reasonable future demands for business uses.

There are no cut and dried methods

of calculating business frontage either in its relation to the available market for land sales or to use. The point of view varies with the particular interests represented, whether they be those of the subdivider, the city authorities, the city planner, the actual or prospective property owner and user or the speculator.

Here and there we find an effort towards standardization derived from a series of more or less intensive studies coupled with compromises arrived at by methods not wholly in harmony with either good planning or good economics.

To one whose interest in city planning and zoning is both scientific and professional—the two sometimes do go together—the impression gained from the methods of determining the amount of business zoning is one that should inspire the satirist to high flights of creative literature and the humorist to broaden his field of usefulness by revealing to some of our good citizens how amusing they are when engaged in the struggle for "ample business zones."

Some of us solemnly assert that 100 persons for every hundred feet of business frontage is just exactly right. Others would accept from 125 to 150 persons for every fifty feet of business frontage as reasonable and in keeping with good planning. This quantitative method seems so simple that it threatens to be accepted as right and reasonable.

Assuming, however, that the population to be served were to remain the same there are still many factors to be considered which would of necessity and by the application of the simplest elements of reasoning alter the above-cited proportions.

NOT FRONTAGE BUT USE DETERMINES

No great flight of the imagination is necessary, however, to discover that it is not frontage but use that determines the number, sizes and character of lots required for business purposes. One-story shallow buildings represent quite a different business potentiality when compared with two-, three- and four-story buildings with considerable floor area and intensive service. Business buildings built up in courts on wide blocks will certainly serve a larger clientele per lot or square foot of business zoning than the little huts just deep enough to house a hot dog arena or a barbecue emporium.

It would seem, therefore, that no scientific standards of business zoning can be evolved without at the same time giving consideration to the type of business to be developed, the type and height of building contemplated or to be permitted, and the intensity of the land use that might be possible under the plan. In other words, any cut and dried standard which merely represents a relation between population and business frontage may be as far off the mark as an estimate of the birth rate in a community based on the quantity production of baby carriages.

The function of zoning as I understand it is not merely the classification of community functions by the creation of geographically circumscribed land uses, but the evolving of methods of community development which would be consistent with sound land economics, and would promote orderly and continuous community building with the least expectation of radical and costly changes.

May I hope that the reader will not misunderstand my purpose in calling into question the common practices of present-day zoning. My concern is not with the value of zoning as a means of community control, which can no longer be questioned, but with the assumption that it is a simple process devoid of important scientific technical requirements that can be applied by anyone placed by accident or community standing in an official position entrusted with the task of developing and enforcing zoning regulations.

It is my contention that ideal business zoning is only possible when bulk, area, building design and character of business use can to some degree at least be predetermined as part of zoning and zoning regulation. Whether this be done by deed requirements and restrictions or by legislation is of little importance provided the aim embodies an honest effort to make zoning more than a mere subterfuge for the boosting of land values.

Whatever the method of zoning control, it must be based upon potential business, otherwise it is merely the expression of a desire to capitalize land-market possibilities without regard to the essential community needs or the interest of the ultimate purchaser of land. This is a practice so common and socially so wasteful that I believe the time is not far distant when the public authorities will demand that sales of business property be predicated upon some reasonable assurance based upon facts that the land sold is suitable for such a purpose. Such a procedure will not only inspire new confidence in real estate transactions but will do away with much of the present difficulties in the way of good zoning and good planning in general.

The subdivision plan which called forth some of the above discussion is still before me. I would like to give my client what he wants and retain his good will, but back of it all lurks the feeling that I have no facts and no acceptable standards from which to start my compromise. If my client will stand the expense and the delay, the facts could be ascertained. But one cannot write essays on zoning to subdividers or put forward elaborate schemes of investigation and research without running the risk of losing a fee. However, I shall do the best I can with our client and take comfort in presenting a scheme of study which might satisfy one's fastidious taste for accuracy and a certain degree of scientific honesty.

MUST STUDY BUSINESS POTENTIALITIES

Assuming, therefore, that in our mind's eye we can establish the most efficient and far-reaching control over business zones in new subdivisions, let us see just how varied and complex a study of business potentialities may be or should be carried on before determining upon the required amount of business frontage in a district or a particular subdivision.

In brief outline, some of the studies that might be undertaken to secure an approximation of the relation between the business area or frontage and the district to be served may be stated as follows:

1. Number of potential purchasers in the district.
2. The purchasing power of the population.
3. Proximity and accessibility to central shopping districts.
4. Cash-and-carry population as against delivery population.
5. Tributary and transient shopping population.
6. Distance from and character of main shopping center.
7. Prevailing types of business buildings.

1. NUMBER OF POTENTIAL PURCHASERS

In planning a subdivision the future population can be estimated with a reasonable degree of accuracy in a single-family district. Their purchasing power will, of course, depend upon the class of dwellings, the racial and group character of the prospective home owners, etc. On the whole however with some study of neighboring communities and a knowledge of the grade of development expected there should be little difficulty in fixing—with some degree of flexibility—the size of the business district. As soon however as the element of multiple dwellings is injected into the development of the subdivision the possibility for estimating the business needs and the purchasing power of the district becomes more remote. All we can do is to conjecture on the basis of the experience of other similar districts. How remote from the actual fact this conjecture might be can only be guessed, but if sufficient consideration is given to local practices under similar conditions and comparative statistical studies are made and proper account is taken of all the economic and social factors, such as density of population, proximity to places of employment, orientation of traffic to and from the subdivision, etc., an approximation of the potential purchasing population can be reached.

It should not be assumed however that population spells purchasing power. To say that there is any fixed relation between the number of persons in a district and their purchasing power is to disregard all facts as to our economic stratification and the attending social conditions which determine and control purchasing power.

2. PURCHASING POWER OF THE POPULATION

The purchasing power of a given population is quite difficult to estimate. While the essentials of living may not differ materially, the luxuries and the demand for what might be called the amenities of life vary with each group and class of people. The marketable goods in an industrial district will no doubt vary from those in a college community and the demands of a white-collar middle class might vary considerably from those of a so-called high-class, exclusive residential district. Whether the purchasing power represents largely local trade, or whether the purchasing power of the potential population will extend from the neighborhood to the central business district or the fashionable metropolitan markets of the world should be determined with some degree of approximation. We have enough accumulated experience in many of our cities to reach more or less satisfactory conclusions along this line, and a few careful investigations might throw valuable light upon the whole question.

I am not aware that such studies transcend the importance of the issues involved, nor can I feel that this field of investigation is less important than many of the studies in the field of land economics which colleges, universities and research foundations have brought forth in recent years.

Business zoning as practiced in many of our cities constitutes a menace to the fundamental principles of zoning and to the legal and economic structure upon which zoning is presumed to be based.

3. PROXIMITY AND ACCESSIBILITY TO CENTRAL SHOPPING DISTRICTS

In calculating purchasing power in a district or a subdivision it is not safe to assume that the total purchasing power of the population will go to build up the local business district. The type, size, and variety of the business district will, in a large measure, determine the extent of local shopping. It is safe to assume, however, that much of the local shopping resources will go to some larger nearby center or to the center of the community.

A considerable amount of success of local shopping districts could be assured by control, not only of the location of business area, but by predetermining the type, reliability, and size of business as well as character of building to be constructed for such business. Many a neighborhood center has been a failure, not because there has been too little demand for business frontage, but because the type of business established has failed to harmonize with local needs either as to type or as to character of goods offered. In high grade subdivisions it will soon be necessary for the subdivider, not only to provide business districts, but to build the buildings and exercise a certain control over their methods of operation. The control over business districts may be an important factor in maintaining a high standard of residential lot values and business frontage values.

A beautiful subdivision fringed with hot dog stands, barbecues, gasoline stations, etc., will soon deteriorate values for both residential and business uses.

4. CASH-AND-CARRY POPULATION AS AGAINST DELIVERY POPULATION

There is little question that in certain districts where shopping is done individually at the store and where the delivery system is not highly developed, the location of the store must be such as to be accessible to most residents in the community. The little satellite centers of business in certain residential districts are the outcome of much hand-to-mouth shopping where delivery is not required. The habits and usages of the people must, therefore, be considered before the amount of business frontage and its location is determined upon. There are also, as in California, the drive-in markets which have a very important relation to the local shopping center and which do a very considerable business on a comparatively small frontage. The clientele of a district is, therefore, quite a factor in business zoning and it should, therefore, not be assumed that business capacity of necessity stands in any very close relation to business frontage.

I am rather surprised that so far we have not developed some kind of professional expert whose function it would be to study conditions in specific districts and advise the owners of the real business needs and possibilities of each district. It is quite conceivable that intensive observation and study along this line might develop technical skill and a certain mathematical accuracy in calculating business probabilities so as to do away with the present speculative and hazardous method of business distribution and uses.

5. TRIBUTARY AND TRANSIENT SHOPPING POPULATION

Much emphasis is often placed upon the values of transient shopping either from passing traffic or from neighboring districts. This idea has led to the absurd belief that all main traffic arteries afford good shopping frontage with the result that hundreds of miles of open highway are strung with business zones demanded by property owners on the theory that where traffic passes trade flows. On this theory it was found that if every boulevard frontage in Los Angeles County were to be zoned for business there would be more business frontage than could be reasonably expected from all of the population of the United States.

The city planner knows that the mere stringing of business zoning along a main artery does not create business. On the other hand, a free award of zoning classification results in the destruction of much residential land value without the compensating development of business. The sale of one store site on a residential main thoroughfare may destroy the chances for hundreds of sales of the same property for residential uses, while there never could be a market for business uses.

It is quite clear that the transient trading would best be served by the creation of centers where one stop would be sufficient to purchase a number of commodities instead of one kind of commodity at the time as would be the case in shoestring business zoning.

So far we have little information as to the number of successes and failures of business enterprises based upon the different methods of business zoning. There is a fertile field for investigation which would prove of great economic value to investors, and incidentally might facilitate better zoning. Whether we fear to face the facts or are merely not conscious of the need for such studies because of the "*economic distance*" between the original subdivider anxious for business zoning and the ultimate user of business property, I cannot say. I suspect, however, that the latter is the real reason.

That there is a gradation in the types of shopping districts, in so far as their clientele is concerned, everyone knows. The smaller districts serve certain needs, while the larger ones serve wider and more varied needs according to their relation to population centers. In calculating the amount of business frontage or business area it is important, therefore, that some account be taken of the various grades of business centers in the vicinity and the effect that their presence would have upon the center contemplated.

6. DISTANCE FROM AND CHARACTER OF MAIN SHOPPING CENTER

The automobile and the downtown congestion of traffic coupled with the great decentralization of population in many of our cities have brought about a considerable number of changes in the distribution of business activity in the community. The grocery store has moved as close to the home as possible, while other business activities have to a large extent sought refuge from traffic congestion, by following the decentralization of population. Instead of one great center of business we have many satellite centers scattered at more or less strategic points and intended to serve the same needs as the main business center of the city. These smaller centers share with the main center in the general trade and with the local center in the sale of goods of everyday use. In other words, the satellite centers of trade are the "halfway house" between the home center and the congested main center.

Wherever these satellite centers exist there is little opportunity for residential business centers and the planning of subdivisions should take this fact into account. To strike a balance between the local needs and the availability of shopping points in the vicinity of a subdivision should be the aim of good zoning. The main center will, of course, always exact a certain amount of business from the city as a whole no matter how effectively the local centers are developed.

In my estimation it seems quite possible to secure reasonably accurate data as to the distribution of trade in relation to certain centers and to formulate some guiding principles which would aid in subdivision zoning. It is not so much a question of complexity of factors as a matter of intensity of study of these factors.

In measuring distances from the home to the various centers we would, of course, take into account not mileage, but "time-distance" including time consumed in parking, travel, access to store, transportation of purchase to car, etc.

7. PREVAILING TYPES OF BUSINESS BUILDINGS

It has been established by long use that the basis of business capacity is to be found in the amount of business frontage. Recently there has been some change from this method of calculation because of a more intelligent planning of business blocks and a more efficient distribution of floor space. The new method of constructing business centers around a court may lead to a new method of construction and to a new method of laying out business centers. The usual business lot, which is merely an area smaller than a residence lot commanding a larger price, may eventually be supplanted by quite a different lot unit, bearing a new relation to the street frontage. The engineer and architect may find in this tendency a new field for original planning that will bring about valuable results. There has been considerable originality displayed in the laying out of residential districts in recent years. There is a similar opportunity in laying out and building up business districts. Eventually there might be a way found whereby to harmonize the greed for high revenue from business uses of land with utility and stability of business development. Surely where the issue is so clear the solution should not be far off.

A SCIENCE OF COMMUNITY DEVELOPMENT NEEDED

The outline I present for investigation into the real basis for business zoning is by no means complete. It is merely suggestive of the possibilities for scientific research and the limited available data upon which sound zoning may be based. In presenting these questions I am aware of the danger to zoning that might come from the ignorant landowner who is seeking to discredit zoning. I am also not unmindful of the possible attacks to which this discussion is open on the part of official and professional zoners and planners who might resent any allegation that what is done, or rather what they do, cannot be right.

It seems unavoidable that aside from the general principles which we may have developed in zoning communities we must treat each parcel of land to be subdivided as a separate and distinct problem involving a multitude of social, economic and psychological factors. Coupled with what is coming to be the science of real estate we must have a science of community development consistent, not alone with the immediate productivity of land sales, but also sound social productivity of land use.

The myth of business zoning as a measure of land values will be destroyed in the course of time by the sheer weight of its fallacy. In the meantime however we are building up our communities on unsound principles. Has the time not come to face the facts?

My client has just left me. I had the temerity to read to him some portions of this article in the hope of anticipating his disappointment and stimulating his otherwise keen sense of safe business. After an embarrassing silence he placed a large cigar on my desk and parted with the remark: "Well, you provide all the business frontage you can and leave it to the sales manager to do the rest."

MOTIVES FOR VOTING AS SHOWN BY THE CINCINNATI P. R. ELECTION OF 1929

BY HAROLD F. GOSNELL

University of Chicago

When information regarding the candidates is available, an analysis of the transfers made under the Hare system of proportional representation throws light upon motives for voting. A study of the returns for the 1929 Cincinnati councilmanic elections shows that the rivalry between the charter committee and the organization Republican party outweighed all other factors. The factor of color came next in importance. Nationalistic, religious and class influences were relatively insignificant. :: :: :: :: :: :: :: ::

THE Hare system of proportional representation offers some unusual opportunities to study motives for voting. Assuming that the voters of a given characteristic, such as affiliation with a certain party, tend to choose candidates of that party, then the first choices of the voters under the Hare system should reflect the strength of that party, if the array of candidates is sufficiently representative. It is reasonable to suppose that the political leaders will choose candidates who are typical of large groups of voters. It is also rational to assume that a voter when asked to choose the one candidate who will represent him best will choose that candidate who has group interests similar to his own. Joseph P. Harris in a recent article has stated that municipal candidates should be voted for because of their ability, experience, and integrity, rather than their membership in a particular race, religion, party, group, belief or disbelief in prohibition, or their stand on other particular public questions.[1] If cities were not made up of conflicting groups, or if it were possible to find candidates who were aloof from the social process, this might be the ideal situation. However, in any large metropolitan community, group interests cross and crisscross each other in many varied patterns. Under the Hare system it is likely that a voter in selecting his second and other choices will take candidates who resemble closely his first choice. The most thorough method of checking this hypothesis would be to examine all the choices of all the voters in a proportional representation election. Unfortunately, the ordinary count under the Hare system does not permit such an analysis. On the other hand, the transfers made under this system make it possible to examine a sample of the second, third and other choices.

There are several things which must be kept in mind in analyzing the transfers under the Hare system. In any given election the sample of second, third and other choices given by the transfers is likely to be very incomplete. Many of the preferences which one would like to study are not given. Furthermore, as the end of the count approaches the number of available choices left becomes smaller and smaller. Many of the transfers near the end, therefore, will not represent second and third choices but rather fourth, fifth, and even later choices. It may happen at a given stage in the count that there are no candidates to whom votes may be transferred who closely resemble the candidates eliminated. In such a case the transfers actually made should not be interpreted as showing a crossing of group lines.

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[1] "The Practical Workings of Proportional Representation in the United States and Canada," NATIONAL MUNICIPAL REVIEW, XIX (1930), 371.

The Cincinnati council election of 1929 has been chosen for the purpose of studying the influence of party affiliation, color, nationality and religion upon the preferences of the voters. This election was chosen because more complete data on the candidates were available to the author than on the candidates in other proportional representation elections. The 1929 election was the third one under the Hare system held in Cincinnati.[1] At each of these elections a council of nine has been chosen at large by the voters of the entire city. In the 1929 election there were 138,763 valid ballots cast and 57,957 transfers were made.[2] Fairly complete information was obtained regarding the party affiliations, the nationality, the color, and the religion of each of the twenty-four candidates who entered the campaign. It was not possible to obtain any objective criteria of the ability of the candidates.

PARTY AFFILIATION

A preliminary analysis of the first two proportional representation elections in Cincinnati showed that local party affiliation was the most important consideration influencing the choices of the voters.[3] In the 1929 election this same condition was found to hold. The struggle for control in Cincinnati at this election as in the previous campaigns was between the charter party and the so-called "organization" Republican party. The charter ticket was made up by a citizens' organization which had no political affiliations outside of city elections. Six of the charter candidates were Republican and three Democratic in national elections. The organization Republican ticket was made up of candidates endorsed by the Republican Executive Committee. Of the 24,083 transfers made from organization Republican candidates, 19,930 went to other organization Republican candidates, 1,886 went to charter Republicans, 1,898 went to charter Democrats, and 370 went to independent candidates. Of the 20,368 transfers made from charter Republicans, 3,014 went to organization Republicans, 10,170 went to other charter Republicans, 7,081 went to charter Democrats and 103 went to independents. Of the 5,819 transfers made from independents, 2,968 went to organization Republicans, 897 went to charter Republicans, 1,055 went to charter Democrats and 899 went to other independents. These transfers can be more clearly presented by percentages in tabular form:

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[1] On these elections see Harris, *op. cit.;* S. G. Lowrie, "Proportional Representation in Cincinnati," *American Political Science Review,* XX, 367 (May, 1926) and H. Bentley, "What Proportional Representation Has Done for Cincinnati," NATIONAL MUNICIPAL REVIEW, XVIII, 65 (February, 1929).

[2] The last transfer of 11,459 ballots was not considered because it did not affect the outcome of the election. In Cincinnati the count is taken one step beyond what is necessary. The choices are so limited on this last step that the transfers mean little.

[3] H. G. Holcomb, *A Study of Proportional Representation in American Cities* (Manuscript, University of Chicago, 1929).

Transfers on a Party Basis in Cincinnati Election, 1929

	Per cent to organization Republicans	Per cent to charter Republicans	Per cent to charter Democrats	Per cent to independents
From organization Republicans	82.8	7.8	7.9	1.5
From charter Republicans	14.8	50.0	34.8	.4
From independents	51.1	15.4	18.1	15.4

All the three charter Democratic candidates were elected so there were no transfers from charter Democrats. The above table clearly shows that struggle between the charter party and the organization Republican party was an extremely important factor in the election. Grouping all the charter candidates together, it is clear that over 82 per cent of all transfers from organization Republicans or charter candidates went to candidates on the same ticket. In other words only 16 or 17 per cent of the second, third and other choices cut across the local party lines. When the many other complicating factors which enter into local elections are considered, this percentage should be regarded as a significant indication of strong local party discipline. The charter committee with its corps of volunteer workers showed itself to be a worthy rival of the organization Republicans.[1] It was natural that many voters marked their ballots according to a party ticket because considerable pressure was brought upon them to do so.

INFLUENCE OF COLOR

The influence of color can be seen in the results of the 1929 election. A. Lee Beaty, a prominent Negro in Cincinnati, requested a place on the organization Republican ticket, but this was refused. Beaty then joined forces with the two independent Negro candidates and became their campaign manager. He advised the Negroes to vote only for the two Negro candidates and to express no other choices. The purpose of this move was to deprive the organization Republican candidates of the transfers from the independent Republican Negro candidates. This maneuver virtually deprived the organization Republicans of a fourth seat in the city council. The strength of the race consciousness of the Negroes in Cincinnati is reflected in the transfers. Of the 1,138 ballots transferred from the first Negro candidate eliminated, 853 or three-fourths went to the other independent Negro candidate. When the second Negro candidate was eliminated 55 per cent of his ballots were non-transferable. If Daly, a Republican candidate still in the running, had received these votes, he would have been elected instead of Pollak, the sixth Charter candidate elected. Harris, in the study already referred to, states that the failure of the Negro voters of Cincinnati to elect a member to council only proves that they do not vote along racial lines.[2] On the other hand, it appears to the present writer that this failure is due to the fact that it takes one tenth of the voters in Cincinnati to elect a candidate and the Negroes probably constitute less than that one tenth at the present time.[1]

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[1] It had an organization in 16 of the 26 wards in Cincinnati. Harris states, *op. cit.*, p. 359, that the loyalty of the majority of citizens of Cincinnati to the Charter Committee at the present time exceeds their loyalty to any party organization. This does not seem to me to be entirely accurate. In 1929 the official Democratic candidates were also Charter candidates. On the basis of first choices only, the organization Republicans received more votes than the charter Republicans.

[2] P. 371.

NATIONALITY

It is more difficult to analyze the influence of nationality upon the Cincinnati election. In 1920, over 50 per cent of the inhabitants of the city were native whites of native parentage, and only 10.7 per cent were foreign born. Of the twenty-four candidates in the 1929 election only one was foreign born, an organization Republican born in Ireland. Four of organization Republican candidates were native born of German parentage. All of the charter candidates were native born of native parentage except one who was native born of Austrian parentage. Because of the limited number of choices available it is possible to analyze only the influence of German ancestry upon the voters' preferences.[2] Of the 10,938 ballots transferred from the first three organization Republican candidates of German parentage defeated, 4,468 or 40.8 per cent went to other organization Republican candidates of German parentage; 2,537 or 23.2 per cent went to organization Republican candidates of Irish extraction, 1,673 or 15.3 per cent went to organization Republican candidates of native parentage, and 691 or 6.3 per cent went to an organization Republican candidate whose father was a Polish Jew. The remaining ballots, making up 14.3 per cent of the total, went to charter candidates who were all native born of native parentage with the one exception mentioned above.

These transfers do not afford an opportunity to test the strength of the factor of German parentage as compared with the strength of the factor of local party politics. The voters who gave their first choices to organization Republican candidates of German parentage were not tempted to give their later choices to charter candidates of German parentage because there were none such. However, the transfers from these three candidates show that within the party ticket a plurality of the second and other choices was influenced by the factor of German parentage. Other things being equal, there was a tendency for voting to follow nationalistic lines in this election. The transfers from an organization Republican candidate of German parentage eliminated later in the count failed to show the same tendency. The choices were so limited that these transfers were not considered typical. In Cleveland where the foreign element in the population is proportionately much larger than in Cincinnati, the influence of nationality is much more clearly marked.[3]

LABOR

The charter group and the organization Republican group both attempted in the 1929 campaign to appeal to the labor vote. Each group nominated a labor candidate. The charter labor candidate, a native Protestant, was the president of the Typographical Union No. 3 and a former editor of several publications, while the organization Republican candidate, a native Protestant of German parentage, was the executive board member of the International Union of United Brewery Workers, the general manager of the American Ice Company, and a former state representative and a former state senator. The charter labor candidate was eliminated first. Of the 2,306 ballots transferred from him, only 124 or 5.4 per cent went to the organization Republican labor candidate. It is thus obvious that labor class consciousness played a very small part in the 1929 Cincinnati councilmanic election, although a labor official had been elected in 1925.

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[1] In 1920 the Negroes comprised 7.5 per cent of the total population of Cincinnati. In the 1929 election the combined vote of the two Negro candidates was under 7 per cent of the total vote cast.

[2] Of the two candidates of Irish extraction, one was elected and the other eliminated on the last count.

[3] *Proportional Representation Review*, January, 1930, pp. 18–20.

RELIGION

The three main religious groups in Cincinnati are the Protestant group which is the largest, the Catholic group which comes next, and the Jewish group which comes third. The charter committee and the organization Republican party each chose six Protestant candidates, two Catholic candidates and one Jewish candidate. It is possible to analyze only the transfers made from some of the Protestant candidates, as the Jewish candidate and the Catholic candidate eliminated kept in the race until the very end. Of 33,023 ballots transferred from ten Protestant candidates, 19,909 or 60.4 per cent went to other Protestant candidates, 8,779 or 26.5 per cent went to Catholic candidates, and 4,335 or 13.1 per cent went to Jewish candidates. The transfers were in the main from Protestant candidates on a given ticket to other Protestant candidates on the same ticket. Strictly speaking, the factor of local party endorsement should have been kept constant by analyzing the transfers from charter Protestants and Republican Protestants separately, but an examination of the individual returns showed that this was not necessary. No transfers were considered where there were no longer available Protestant candidates on the same ticket.

It might be argued that the above returns do not show, necessarily, a tendency to vote along religious lines. Since two-thirds of the leading candidates were Protestants, a pure chance distribution of the transfers might produce a result similar to the one given above. However, two Protestant candidates were elected right at the beginning of the count and other Protestant candidates were eliminated early in the count, so that at the time most of the transfers given above were made the proportion of Protestant candidates was considerably less than two-thirds. The transfers, then, show a tendency for the voters who supported Protestant candidates in the first place to mark their other preferences for Protestant candidates.[1] On the other hand, it should be noted that 40 per cent of these transfers went to non-Protestant candidates. This means clearly that religion was far from being the main consideration with these voters.

Two other interesting situations arose during the count which throw some light on the influence of the religious factor. When the ballots of the last charter Protestant candidate eliminated were to be transferred, there were no other charter Protestant candidates left to whom his ballots might be transferred, although there were still three charter non-Protestant and three Republican Protestant candidates in the running. How many voters who took as their first choice a charter Protestant would ignore the non-Protestant candidates on their own ticket and vote for Protestant candidates on the opposing ticket? The results show that only 15 per cent of the transfers went to Republican Protestant candidates. A similar situation arose when the Republican Jewish candidate was eliminated. There was no other Republican Jewish candidate although there were four Republican non-Jewish candidates and one charter Jewish candidate. Only 14.5 per cent of the transfers went to the charter Jewish candidate. As compared with the proportion of transfers made from Protestant candidates on one ticket to Protestant candidates on the opposing ticket while there were still Protestant candidates on both tickets, this is about 5 or 6 per cent greater. In other words, it can be said that about 5 per cent of voters who supported a candidate of a given religion on a given ticket bolted that ticket when it no longer contained a candidate of the religion concerned and the opposing ticket did.

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[1] Robert P. Goldman's study of the 1925 election, cited by Harris, *op. cit.*, p. 357, seems to indicate that religious considerations played a very minor rôle in this election. Seasongood and Dixon were successful vote-getters and appealed to many voters not in their religious groups. Consequently the transfers of their surpluses revealed a crossing of religious lines.

SUMMARY

The above analysis of the returns for the 1929 Cincinnati councilmanic elections throws considerable light upon the relative importance of certain factors in influencing the choices of the voters. The factor of labor or class consciousness had practically no effect upon the Cincinnati voters as far as material presented here shows. Nationalistic and religious influences were of relatively minor importance. Other things being equal, there was a tendency for the voters who gave their first choices to candidates of a given religious faith to give their second and other choices to the candidates of the same faith. However, when local party loyalty and loyalty to a religious group were pitted against each other the latter usually gave way. While the information regarding nationalistic influences was less complete, it is probable that this factor operates in a similar fashion.

Of considerable importance in the election was the factor of color. The white voters showed no tendency to support the Negro candidates and the Negro voters, on the other hand, showed a decided tendency to support the candidates of their own race. The rivalry between the Charter Committee and the organization Republican party was clearly the most important consideration with all but a few of the voters. The Charter group based its campaign upon the issue of civic responsibility vs. party responsibility, the achievements of the charter administration, the superiority of its candidates, and the corruption of the organization Republicans. The organization Republicans appealed to party loyalty, accused the Charter group of building up the Democratic party, and minimized the work of the Charter administration. These issues outweighed all other factors in the campaign.

RECENT BOOKS REVIEWED

History and Functions of the Municipal Court of Philadelphia. By Clarence G. Shenton. A report by the Bureau of Municipal Research of Philadelphia, published by the Thomas Skelton Harrison Foundation, 1930. Philadelphia Municipal Court Survey Series. 92 pp.

This pamphlet arrests interest on two counts. It introduces a series of monographs on the administration of a conspicuous social experiment, the Municipal Court in Philadelphia. It is in itself an example of beautifully clear exposition of a somewhat tangled growth of statutes and legal interpretation.

In 1925, the Thomas Skelton Harrison Foundation, "an agency created by the will of Thomas Skelton Harrison to promote good government in Philadelphia," acceded to the request of the Bureau of Municipal Research for funds to carry on studies requested by the then president judge of the court, Raymond MacNeille. The Bureau thereupon embarked upon an examination and appraisal of the services of the court, and combed the United States to find the most competent observers and analysts of the services to be reviewed. Some fifteen sections prepared by nearly as many experts have now been completed and are being published. This entire study will comprise one of the most substantial contributions to the literature of social-legal institutions that recent years have brought forth.

Although the Municipal Court of Philadelphia has now been in existence for sixteen years—a period long enough for it to have found and worked out most of the jurisdictional and other legal problems arising in the course of its work, and yet not so long that it could become encrusted with legal precedents—it is still in a state of uncertainty about its duties and powers in several important phases of its work. Its very name is deceptive. It is not a city court. It is a county court, which for practical purposes means that its administrators are not required to choose employees in accordance with civil service laws and need not buy through the city's central purchasing service. The situation is clear and well known, but curious. The whole question of fixing financial responsibility, owing to the use of mandamus powers by the judges, is unsettled. The lines of responsibility and authority over the various parts of the court organization are none too clear. The power of the Court to make orders on the county for the support of children in their own homes is subject to grave question and has been fitfully used over the years since 1914. This by no means completes the list of weaknesses and defects inhering in the legal foundations of this court.

This clear and concise statement admirably sets the stage for the reports which are to follow and serves in its own right to enlighten the community about the structural qualities of this court which has received so much of uninformed praise and blame.

Domestic Relations Division of the Municipal Court of Philadelphia. By Fred R. Johnson. A Report by the Bureau of Municipal Research of Philadelphia, published by the Thomas Skelton Harrison Foundation, 1930. Philadelphia Municipal Court Survey Series. 29 pp.

This third pamphlet of the series briefly sets forth the personnel, procedure and problems in the administration of the Domestic Relations Division of the Municipal Court. Fred R. Johnson, who prepared this report, is a former chief probation officer of the Detroit Recorders Court. Because of a lapse of four years between the field work and publication of this report, and to a change of administration in the court in the meantime, the manuscript was submitted to the present president judge for such comments as he cared to make. Some of these are printed in footnotes, and form some of the most illuminating data of the report on the conception of the court's staff regarding its functions.

Mr. Johnson's criticisms of the service of this institution grow out of a comparison of its somewhat stereotyped and legalistic procedure with what would be done if the court were equipped with personnel able to undertake a thorough service in aiding the unfortunate clients to see their domestic and personal problems clearly and to work out solutions promising stability and peace. Such service the judge characterizes as "sociological" and beyond the powers of the court. His concept of both the court and the probation department seems to be limited to providing judicial determination on questions of support plus an employment service to get jobs for the court's clients. Since employment service is a function of other parts of the government, and since this court is the one unit empowered to deal with domestic difficulties of citizens, it would seem that this report is only suggesting a closer application of the public resources going into this court to the purposes outlined.

At one time or another the Municipal Court of Philadelphia has dabbled in almost every known kind of "welfare work" but in its Domestic Relations Division it has not yet buckled down to a real attack on the problems of domestic discord. If and when that is done, this service probably will of necessity be "sociological" in character.

NEVA R. DEARDORFF.

New York City.

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COUNTY OF LOS ANGELES, REGIONAL PLAN OF HIGHWAYS. *Section 2-E, San Gabriel Valley.* Los Angeles: Regional Planning Commission, 1929.

Regional planning has taken on a very practical aspect in certain of the counties embracing or adjacent to large cities. In Los Angeles County, California, the Regional Planning Commission has followed up its general planning work by dividing the populated portion of the county (the north half being occupied by mountains and desert) into seven more or less arbitrary sections and has now prepared an authoritative highway plan for one of these, embracing an area of 278 square miles. This plan has been approved by each of the incorporated cities within the area and by the county board of supervisors as a general guide to all future construction.

Accompanying the highway plan are plans for zoning, industrial development, grade-crossing control, airports, and other studies. A final plan shows actual accomplishments to date in opening and initiating portions of the highway plan. It is noteworthy that, while a population of 750,000 in the San Gabriel Valley portion of Greater Los Angeles alone is anticipated by 1960, no express roads are provided by the plan, unless certain parkways can be so considered, and no major highways are planned to be more than one hundred feet in width. This is in marked contrast to the proposals for practically every other American metropolis.

ARTHUR C. COMEY.

REPORT OF THE COMMISSION TO SURVEY PUBLIC EDUCATION: State of New Jersey, 1930. (Authorized by the State Legislature, 1928.) 203 pp.

This is another attempt to survey the publicly supported educational activities of an entire state. The report has been eagerly awaited because of the interest in the development of education in one of the older states which has become highly industrialized.

The commission consisted of fifteen members: three members of the assembly appointed by the speaker, three of the senate appointed by the president, the president of the state board of education, the state commissioner of education, three members appointed by him from superintendents and school officials, and four lay citizens of the state.

For the technical work of the survey the commission secured the services of sixteen nationally known educators, experts in their respective fields. The personnel of this group guaranteed investigations of a high order of merit and conclusions and recommendations based on the facts and in accord with sound principles in the various phases of education covered.

The character of the report, which was apparently formulated by the commission itself, is indicated by the following statements taken from page 9:

> The creation of a state staff of men who have an intimate knowledge of the growth and development of our school system, who are familiar with the aims of state and local officials, who understand the conditions under which school work must be carried on and appreciate the limitations due to these conditioning influences, made possible a full understanding of New Jersey school conditions by the specialists and aided the commission in appraising their recommendations.
>
> The members of the commission participated actively in the survey, conferred with the specialists, studied their reports and used parts of them in formulating this report. . . .

The report summarizes many excellent suggestions relating to the improvement of the curriculum, of teaching methods, of classification of pupils, and of administration. Specifically, it recommends the abandonment of the dual system of school administration characteristic of New Jersey cities. The influence of the experts is apparent in these sections, though the report as a whole is sadly lacking in the proper presentation of facts to support the statements made.

In many other vital respects, however, the report is a complete surrender to forces operating in the state. On page 147 the commission states: "The school board should have freedom from the civil-political government," and then proceeds in the same sentence with these words, "and, so far as possible, be fiscally independent." In a subsequent section it recommends for all districts with a pupil enrollment of 5,000 or more, a board of education appointed by the mayor.

In the matter of state aid the report recognizes the need of equalization, but proceeds to recommend a plan of distributing state funds which will serve only to perpetuate the present inadequate state aid system of New Jersey. It then defends itself in the following words:

> Any method of apportionment adopted, in so far as practicable, should recognize existing methods of apportionment which are the result of many years of consistent effort on the part of legislators, educators, and citizens. . . . These efforts built into the existing organization of the system of free public schools may not be lightly set aside.

It is to be regretted that the citizens of the state of New Jersey whose money was appropriated for this survey could not have had the full benefit of "the thorough and unprejudiced study" of their public school system to act as they might see fit with reference to its findings and recommendations.

Harry P. Smith.

Syracuse, N. Y.

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Special Assessment Procedure. Special Report of the State Tax Commission, State of New York. By Arthur Rowland Burnstan, Ph.D. Albany, 1929. 272 pp.

The department of taxation and finance of New York State established in 1928 four fellowships at different universities for the purpose of securing contributions of a disinterested nature from mature research investigators on the various phases of tax administration. The present study—the work of Dr. Burnstan, who held the special fellowship in taxation at Columbia University—is the first of the series to be published and is "a critical study of the methods and practices employed in improvement finance in twenty-one New York cities."

The first part of the report is a comprehensive analysis of special assessment procedure. The method of the author is to deal with both the general and specific phases of the subject. The report is not a mere compilation and cataloguing of data by individual cities. The essential elements of special assessment procedure are segregated, and then the methods of the several cities are described and criticized under each step in the procedure. While the author emphasizes the practices of New York cities, he at the same time draws on the experiences of other cities, particularly when their methods are exemplary and suggestive of improved technique in special assessment administration.

The conclusions of the study are that the special assessment systems in the twenty-one largest New York cities do not operate equitably; that only New York City has followed for any extended period of time a definite and clearly understood plan for the initiation of local improvements; that provisions intended to protect the taxpayers should be simplified, so that proper public hearings and complete information to every property-owner will tend to reduce interference with improvement programs; and that more adequate preliminary surveys will insure smoother operation and more equitable administration. Because of the complexities that arise in determining benefit, the section of the law dealing with this phase of the procedure should be broad and should allow ample discretionary powers to the local officials entrusted with the determination of benefit. The all-important matters here are the selection of proper boundaries for the establishment of a special assessment district and the selection of a base for the measurement of benefit. The latter should be weighted according to the significance of contributing factors. Special assessment financing should be by bonds guaranteed by the city of issue and retired by special assessments levied because of the particular project against which these bonds were issued. Such bonds should not be included in the regular debt limit of the city.

The author relegates charter provisions, statutes, statistical table, maps, and examples to the appendices. These take up fully two-thirds of the report and are an exceedingly helpful collection of data on improvement financing. In addition to charter provisions and special assessment methods for the twenty-one New York cities, maps and data on assessment projects in Buffalo, St. Louis, San Francisco, and Seattle are included. A complete bibliography covering all available material on special assessments in the form of books, magazine articles, and reports accompanies the report.

Martin L. Faust.

MUNICIPAL REPORTS

Glendale, California. *Annual Report for the Fiscal Year Ending June 30, 1929.* By J. W. Charleville, City Manager. 100 pp.

This report of the municipal activities of Glendale is an attractive publication. It is well written; a good quality of paper is used; and the size and character of the type make easy reading. The pictures, however, seem to have been chosen more because of their beauty than for their intrinsic value as supplemental to the text. The foreword of eight pages seems a bit long, and does not seem impressive mainly for the reason that the statements are too general, as for example: "The number of communicable disease cases is much below the average" and "traffic accidents have been kept low." One is left to wonder what "average" is meant and what "low" means. The departmental reports fail to clear up these questions for they too are very general and contain little if any comparative data.

The report could have been greatly reduced in length with good effect. The "Muncipal Directory," for instance, contains the names of all officials of the city, yet they are repeated in the departmental reports. Space could have been conserved also by bringing together all reports bearing on the finances of the city. For example, a statement of assets and liabilities appears on page 29; "high lights of the annual audit," which by the way is entirely devoid of any figures, appears on the next page; the treasurer's report on page 61; the comptroller's report on page 93; and a comparative statement on the cost of government occupies page 99. If the figures in this last statement had been presented in graphical form they would have been much easier to grasp; this suggestion would apply as well to several other sections of the report, particularly to that on the police court. While this report will hardly rank among the best of the year it does surpass a great many reports, or else its review would never have been given this space.

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Wichita, Kansas. *Annual Report for the Year 1929.* By Bert C. Wells, City Manager. 52 pp.

In many respects this report resembles the Glendale report reviewed above and for that reason several suggestions offered for improvement there are equally applicable here. The Glendale report, however, is superior in at least two respects: it contains both a table of contents and an organization chart. The need for an organization chart in the Wichita report is well illustrated by this statement appearing on page 7:

> At present the general tax rate for the City of Wichita is in the hands of eight boards: the State Tax Commission, the Board of County Commissioners, the Board of Education, the Board of Regents of our Municipal University, the Board of Park Commissioners, the Library Board, the Nursing Association Board, and the Board of City Commissioners.

Obviously a chart is the simplest way to introduce to the reader the interrelations of these different agencies and to assist him to a fuller appreciation of their implications. This report on the other hand is superior to the Glendale report in the character of its foreword and general summaries of accomplishments; the financial data also are much better handled. Moreover, we cannot overlook the fact that brevity is much more in evidence; this report contains but 52 pages as compared to Glendale's 102. Promptness in publication should also be emphasized. This report appeared three and one-half months after the expiration of the period covered, as compared to eight and one-half months for Glendale. Surely a municipal report loses much of its interest and value unless it is made available promptly.

Clarence E. Ridley.

REPORTS AND PAMPHLETS RECEIVED

EDITED BY WELLES A. GRAY

Assistant Director, Municipal Administration Service

Plans and Studies, Washington and Vicinity.—By the National Capital Park and Planning Commission. Washington, Government Printing Office, 1929. 60 pp. This is a collection of supplementary technical data which accompanied the annual report of the National Capital Park and Planning Commission. Illustrations showing old and new street plans of Washington and the White House, the Capitol and other public buildings in their various states of appearance from 1800 to the present time are given. There are large numbers of charts and graphs on land and its uses, city traffic rules, and regional planning. Statistical tables on the many aspects of the housing problem in Washington are included. (Apply to Superintendent of Documents, Washington, D. C.)

◆

Taxes of the State and Its Political Subdivisions, 1901–1928.—By the Wisconsin Tax Commission. Madison, June, 1929. 24 pp. The statistics given in this bulletin are prefaced by a brief discussion of the taxes now in force in Wisconsin. There are tables on all taxes of the state and its subdivisions from 1901 to 1928, tabulated according to uses, types of taxes, and taxing agencies. (Apply to Wisconsin Tax Commission, State House, Madison.)

◆

Opinions of the Attorney General Construing the Provisions of the New Gasoline Tax Law of the State of Texas.—By Rice M. Tilley. Austin, 1930. 55 pp. This bulletin is a complete compendium of information on the 1929 gasoline tax of Texas. The subject matter includes the text of the law, the supplementary rules and regulations promulgated by the comptroller, the various report blanks and other forms used in administering the law, and the interpretations by the attorney general of Texas. (Apply to Robert Lee Bobbitt, Attorney General, Austin.)

◆

Taxation Systems.—By the Research Division, Ohio Chamber of Commerce. Columbus, April, 1930. 18 pp. (Mimeographed.) In four states there are comprehensive systems of classifying property for taxation, now in use. This bulletin briefly summarizes the provisions of the law now in force in these states, Minnesota, Kentucky, Virginia, and Montana. (Apply to the Research Division, Ohio Chamber of Commerce, Columbus.)

◆

Taxes and Special Assessments in the Downtown Business District of Kansas City, 1909–1929.—By the Kansas City (Mo.) Public Service Institute. April, 1930. 32 pp. (Mimeographed.) In this study are given comparative data on taxes and special assessments in Kansas City's business section for the past twenty years. The study is a preliminary to a general investigation of special assessments throughout the city. Careful attention is paid to assessed values, tax rates and total levies, and the amounts of and methods of levying special assessments. (Apply to the Institute, Orear-Leslie Bldg., Kansas City, Mo.)

◆

The Bonded Debt of Local Units of Government as of May, 1930.—By the Civic Affairs Department, Indianapolis Chamber of Commerce. Indianapolis, May, 1930. 11 pp. (Mimeographed.) Here is a complete analysis of the borrowing capacity, the bonds outstanding, and the maturities of bond issues in all units of local government comprised within the limits of Indianapolis, including the civil city, the school city, the park district, the sanitation district, the county, and county unit road districts. All of these units are heavily bonded, and several proposed issues bring the debts dangerously close to the legal limit. In view of this condition, this study was made as an aid to well-coördinated financial planning. (Apply to Indianapolis Chamber of Commerce, 311 North Meridan Street, Indianapolis.)

◆

Brief on Special Assessment Laws and Procedures.—By the California Taxpayers' Association. Second Edition, Los Angeles, May, 1930. 58 pp. (Mimeographed.) Under present laws regulating special assessments in

California, it is possible for special assessment districts to overlap, with the result that assessments multiply, until, as has happened in certain cases, the total annual assessments may even exceed the assessed valuation of the property. This brief, which was submitted to a legislative commission on revision of the law of special assessments, points out the inequalities and inequities of the existing legislation, giving many specific examples. (Apply to the Association, 775 Subway Terminal Bldg., Los Angeles. Price, $1.)

*

Reports and Communications.—By the Finance Commission of the City of Boston. Boston, 1930. 155 pp. This is volume XXV of the various reports of studies made by the Finance Commission during 1929. It includes the annual report of the commission for that year. (Apply to the Commission, 24 School Street, Boston.)

*

Soundings in the General Property Tax System of Ohio.—By J. P. Watson. Columbus, the Ohio Institute, November, 1929. 70 pp. (Mimeographed.) These "soundings" are an analysis of the effects of the so-called "uniform rule" which has been followed in levying all types of taxes in Ohio, and present a complete picture of the general property tax in that state. The types of property subject to taxation, assessment and valuation methods, and the legal basis of the tax system are discussed fully, with relation to both the general and the special taxes levied. (Apply to the Ohio Institute, 277 East Long Street, Columbus.)

*

Budget Facts and Financial Statistics of the City of Minneapolis for 1930.—By the Board of Estimate and Taxation. Minneapolis, 1930. 48 pp. Here is an unusually well drawn picture of the finances of a good-sized city. In brief form are presented the major items in the budget and tax rates for the current year. The Minneapolitan who wants to know the proportion of his taxes spent for schools, the basis for his taxes, or how the tax collections compare with the levies, can find that information and more, in this booklet, without having to consult unwieldy volumes of budget figures, highly technical reports of financial officers, or other inconvenient and well-nigh incomprehensible sources. The data include a budget summary, assessed valuation figures, an analysis of tax rates and levies, comparative figures for several years on tax levies and tax collection, figures on the cost of government, and a statement of the bonded debt of the city. (Apply to George M. Link, secretary, Board of Estimate and Taxation, 343 City Hall, Minneapolis.)

*

Assessors' Manual, Cook County, Illinois.—Second Edition, Chicago, 1930. 89 pp. This manual gives not only the rules, classifications, etc., to be followed by the assessors who are making the revaluation of property in Cook County, but also a brief history of the reassessment program. (Apply to the Board of Assessors of Cook County, Chicago.)

*

Final Report of the California Tax Commission—Sacramento, 1929. 317 pp. This commission was appointed in 1927 to make a thorough investigation and survey of all features of the revenue and taxation system of California. The report is divided into four parts. In part one, following a general discussion of the principles which underlie various systems of taxation, there is presented a history of California's tax system, an examination of the system of special taxes on public utilities, and a discussion of proposals for a new system of taxes, including business taxes, a moneys and credits tax, and various miscellaneous revenue provisions. The second part of the report deals with the tax burden on public utilities as compared with that on common property. Part three discusses the taxation of banks, corporatefr anchises, securities, and credits; and part four is devoted to an analysis of the demand for a real estate tax offset against a franchise tax on banks and corporations. (Apply to the Commission, 703 Market Street, San Francisco.)

*

Report of the Tax Revision Commission of Utah.—Salt Lake City, 1929. 134 pp. This report deals with proposals to establish a special tax on intangible property in Utah. (Apply to the Commission, State House, Salt Lake City.)

PUBLIC UTILITIES

EDITED BY JOHN BAUER

Director, American Public Utilities Bureau

What Commissioners Think.—An unusually wide range of questions was discussed at the last meeting of the National Association of Railroad and Utility Commissioners at the forty-first annual convention held at Glacier National Park, Montana. A volume of proceedings and papers has just been published by the Association, and is available from the secretary, James B. Walker, 270 Madison Avenue, New York City. Three topics were of outstanding significance: (1) The effectiveness of state regulation; (2) the relation of state and federal control; and (3) the form of rates suitable to present conditions in the gas and electric industries.

On the first topic, there was an unusually frank expression of opinion among the assembled commissioners. According to a formal address by Carl D. Jackson, former president of the Association, and now counsel for the National Electric Light Association, there seems to be nothing particularly wrong with state regulation. Mr. Jackson grouped the allegations made against state regulation into five classes, then successively demolished each class, and convinced himself that everything is really "jake." This view of a most satisfactory system was not, however, shared by any present commissioner. While there was a wide spread in the degree of criticism, every commissioner or public official who participated in the discussion recognized vital defects which should be remedied in the interest of reasonable and effective regulation.

The legislative investigation of regulation in New York was brought into the discussion. The findings of the New York investigating commission fully support the criticisms voiced by many commissioners. The same topic will inevitably arise for even more intensive discussion at future meetings. The extremely unsatisfactory state of regulation can no longer be denied after the New York survey. There may be differences of opinion as to the proper remedy, but that there is a serious ailment is admitted by all doctors.

As to the second topic, there was almost uniformity of opinion—that there is grave danger of federal encroachment upon state regulation. Because of increasing interstate transmission of gas and electricity, and because of far-flung holding company organizations, the state commissions have great difficulty in struggling against interstate obstacles. The consensus of opinion was, however, that the situation could be worked out more satisfactorily if left to the state commissions than if federal regulation were established to cover these interstate relations. This, too, is a problem with which the commissioners will be compelled to grapple at future meetings. The scope of interstate relations is bound to increase. While perhaps, at present, federal regulation is premature, regulation cannot escape the pressure of facts. The present gap is bound to widen. The question is, can it finally be bridged in any other way than by federal regulation?

The third topic was the "service charge"—or a charge of similar character—included in gas and electric schedules. One of the technical papers was devoted particularly to the application of this form of rate to the electric industry. The discussion indicates that the commissioners have generally accepted the principle of the service charge, whether directly imposed, or garnished up in more palatable form. The writer feels on this subject that there has been for many years a steady propaganda by electric and gas companies to "sell" the service-charge idea to the Association. At many meetings, for years back, the formula developed by the American Gas Association has been pressed upon the commissioners, and, particularly, upon the rate committee. While there is a superficial reasonableness in the proposition, the claims for it have rested principally upon specious cost allocations. Unfortunately, it has never been considered from all sides by the Association, but has been accepted by many commissions, without adequate consideration of what is really involved.

The service charge is usually fixed at about a dollar per month per customer, and results in placing higher average rates upon the small than upon the large consumers. It should, of course, not be approved by any commission, unless it is really necessary in the establishment of an equitable schedule of rates. It would be highly desirable if the Association were to appoint a special committee to investigate the subject scientifically. Such a committee would include, not only public utility engineers, but also economists and cost analysts, who would approach the subject as scientists, from a public standpoint, and who would have no financial interest at stake either for themselves or their employers.

◆

Complaint Against Low Municipal Rates.—We have never tied ourselves to the doctrine of municipal ownership and operation as a matter of faith, but we have had a notion that an efficiently operated municipal plant has distinct advantages over a private plant, and might thus be able to furnish service at lower cost to the public. We have been convinced, however, that the right of municipal ownership and operation should be granted without strangling financial restraints, to give the municipalities an opportunity to prove what they can do, to furnish a standard of rates for private companies, and to restrain them from piling up various excessive charges to be paid by the public. The constant threat of public ownership would be a mighty stimulant to the efficiency of private operation, and, conversely, the private plants would stimulate the efficiency of the public plants.

The assumption is commonly accepted that municipal operation is inefficient; and it is seldom possible to disprove or verify the assumption with satisfactory figures. Therefore, we welcome the opportunity to consider the special instance of Jamestown, N. Y., which has had a municipal plant since 1891, and which through that long period has competed with the Niagara, Lockport and Ontario Power Company. The reports of the Jamestown plant are unusually complete, and permit of fairly satisfactory analysis. The city has a population of about 50,000. At the close of 1929, the municipal plant had 10,459 customers, and had a generating capacity of 13,000 kw. It had an output of 25,238,500 kwh. during the year, and a coal consumption of 1,996 lbs. per kwh.

During the summer of 1928 the municipal plant announced a general reduction of about 10 per cent in rates, although its rate schedule was already on a much lower level than the average under New York state conditions. The following presents a comparison between the old and new rate on the basis of cents per kwh.:

Kwh. per month	*Old rate*	*New rate*
First 50	4.50 cents	4.00 cents
Next 50	3.60	3.25
“ 900	2.70	2.50
“ 10,000	3.25	2.00
“ 20,000	1.80	1.60
“ 50,000	1.35	1.20
All excess	1.10	1.00

A glance over the old rates shows that the level was extremely low and that the reduction gave the people of Jamestown a rate that is enjoyed in very few municipalities of the country. Both the new and old rates are subject to a monthly minimum charge—80 cents and 90 cents, respectively—for two kw. or less of service capacity, and 40 cents and 45 cents per kw. for all service capacity in excess of two kw. These are the rates for the bulk of the consumers. There are other classifications, which we shall not present, because they are designed to cover special conditions.

REVIEW BY THE COURT

Sixty days after the new rates were filed, the Niagara, Lockport & Ontario Power Company filed a complaint with the public service commission, charging the municipal plant had disregarded the requirements of the city charter that the rates shall be not less than cost at place of delivery; that many items of expense had been paid from the general tax levy; that nothing was paid to the city for the use of the plant; and that these conditions permit a rate which cannot be met without great financial loss to the complainant.

The commission dismissed the complaint on the ground that it has no power over municipal plants whose rates are fixed under charter provisions, and that its own power, in any case, was limited to the fixing of maximum rates; hence, it could not prevent the reduction in rates put into effect by the Jamestown plant. Following this determination, the company obtained a review by the Appellate Division of the Supreme Court. On March 27, 1930, the court decided that the commission had erred—that it has the power to examine into the rates fixed by the Jamestown municipal plant, and to determine whether the rates are lower than cost and illegal, also that it has a right to increase rates as well as to reduce them, if upon investigation it finds them to be illegal. The City of Jamestown had made the additional point that the company had no interest in the matter, but this contention was overruled because the losses that might be sustained by the company through the municipal rates, if illegal, would be the subject of judicial inquiry.

The matter was remanded to the commission. The court itself did not attempt to decide whether the rates are lower than cost, but indicated the general principle to be followed in the determination of cost. The general rule applicable to public utilities, that a fair return on the fair value of the property must be allowed, does not apply to the municipal plant, except as construction was financed out of general city funds. If the property has been paid for from profits of operation, no return is required. If city employees or general municipal funds have been used for operating expenses, they should be included as cost of service. Allowance should be made for all operating expenses, covering labor and materials, including depreciation of the properties.

When the matter comes back to the commission, the question at issue will be whether the rates are below cost as generally defined by the court. This will probably require a detailed examination of the property accounts and operating expenses to determine to what extent, if any, general municipal funds, directly or indirectly, have been employed in the construction of the plant and in maintenance and operation. No final conclusion can be stated until the examination and analysis of costs have been made. The plant, however, has maintained an unusually complete system of accounts, and has made public comparative results of operation. A fair idea may be obtained by a brief survey of the published reports.

OPERATING RESULTS

Consider the results for the year 1929, when the new level of rates was in effect. The total operating revenues amounted to $557,572; operating expenses, including all labor and materials, also allowance for retirement expense, $349,343; net operating income, $208,229. To this is added miscellaneous interest revenue, $10,348, and deducted, $9,809 interest paid on electric bonds outstanding. The net surplus for the year thus amounts to $208,768—a very respectable margin—nearly equal to 38 per cent of the gross revenues! In view of the court decision that no return on the property is necessary, if construction funds have been provided out of profits, there appears little doubt but that the rates in 1929 have covered considerably more than the cost as required by the city charter.

There may be a question as to whether municipal employees, paid out of general city funds, have not been used for the purposes of the plant. The detailed statement of operating expenses, however, indicates that all labor and materials regularly used in the plant have been duly charged to operating expenses. It does appear that the level of administrative expenses was low compared with private companies. The total general and miscellaneous expenses, exclusive of retirement charges, amounted to only $20,627, covering all administrative and general office salaries and expenses, law, insurance, injuries and damages. This extremely low cost may be due in part to use of municipal employees not charged to operating expenses, but is probably due to the fact that no expensive executives are employed and that economies of coördination are effected as between electric plant and other departments of the city. The possibilities of such coördination and the keeping down of general overhead are distinct advantages of a municipal plant, and are factors to be considered in favor of municipal as against private operation.

Assume, however, that the charges for general and miscellaneous expenses have not made sufficient provisions for municipal officials and employees not engaged exclusively in the plant. Then the stated surplus of $208,768 must be considered also in the light of the fact that there was a charge of $141,975 for retirement expense to cover depreciation of property. This was not an actual expense, but an allowance to meet future retirements and replacements of plant and equipment. It represents over 7 per cent upon the gross book cost of the property, and is much greater than the average provisions made by private companies. There is doubt, indeed, whether such large provisions for depreciation are necessary.

But after the large allowance for depreciation in addition to actual operating costs as stated, and after the inclusion of all interest paid on the electric light bonds, the net surplus is still large enough to bring 10 per cent upon the gross book cost of all the properties, without deducting from the properties any past accrued depreciation of the amount of bonds outstanding. But if the depreciation reserve and the bonds outstanding are deducted from gross book costs, then the surplus for 1929 amounts to about 19 per cent upon the net book value—as will appear from the tabulations presented below. There is such a wide margin above what is ordinarily considered a fair rate of return, that the conclusion is all but inescapable that the low rates of the municipal plant are considerably in excess of the actual cost of furnishing the service. Whatever contributions the municipality may have made without corresponding charges to the electric plant, the total could hardly wipe out the large margin of apparently excess earnings above actual cost.

FINANCIAL STANDING

It seems worth while also to consider briefly the rather striking features in the financial set-up and history of this particular municipal plant. The facts can be presented most clearly by means of a compact balance sheet, giving comparative figures for December 31, 1929, and December 31, 1926, and the changes that have taken place during the period of three years:

	1929	*1926*	*Increase or (D) Decrease*
Cost of plant	$1,989,220.67	$1,515,013.45	$474,207.22
Other assets	818,766.14	417,565.12	401,201.02
Total assets	$2,807,986.81	$1,932,578.57	$875,408.24
Current liabilities	$49,578.24	$43,285.82	$6,292.42
Electric bonds	176,000.00	218,000.00	D42,000.00
Reserves	754,659.76	459,660.47	294,999.29
Surplus	1,827,748.81	1,211,632.28	616,116.53
Total	$2,807,986.81	$1,932,578.57	$875,408.24

During this entire period the rates were extremely low compared with other cities of New York state or the country—the new rates for 1929 and the old rates for the preceding two years. Observe the financial situation at the close of 1929. Note, first, total plant cost $1,989,221, as against surplus $1,827,749. About 90 per cent of plant account came out of surplus—past earnings put back into property. The electric bond indebtedness was only $176,000, or less than 9 per cent of plant cost. In addition, however, the reserves amounted to $754,659.76, which are reflected in the total assets. There is, thus, this striking fact—that the total assets of $2,807,987 have come out of earnings, as shown either by reserves and surplus, with the exception of $176,000 electric bonds and $49,578 current liabilities. Approximately 92 per cent have come out of earnings, while only 6 per cent have come from electric bonds, and only 2 per cent from current liabilities. The consumers have already paid for the bulk of the plant and other assets, and, of course, as the court has indicated, do not need to pay a further return on the property. But the interest on the electric bonds outstanding has been regularly charged against plant revenues.

Consider now the change that has taken place only within the period of three years. There was a net increase in plant account of $474,207, also an increase of $401,201 in other assets; a total increase of $875,408 in total assets. But there was also a decrease of $42,000 in bonded indebtedness, against a small increase in current liabilities. The net addition was thus $911,116, which has come to the extent of $294,999 out of reserves and $616,117 out of surplus, or a total growth of $911,116 out of earnings in three years—all years of low rates.

It may be conceivable that a detailed investigation will show that electricity has been furnished below cost and that the requirement of the city charter has been violated. The above analysis, however, strongly indicates that no such finding can be made. It seems, indeed, that the municipal plant has made not only excess provisions for reserves, but has built up the great bulk of plant and other assets out of earnings. It is virtually inconceivable that sufficient other elements can have been contributed by the city to overcome this overwhelming showing that appears from the analysis of the published figures. If not, then present rates might reasonably be reduced still further, and the private company would have no recourse but to meet the lower rates.

We do not know of any instance in the state of New York where such a favorable financial showing has been made by any private plant.

GOVERNMENTAL RESEARCH ASSOCIATION NOTES

EDITED BY RUSSELL FORBES

Secretary

Recent Reports of Research Agencies.—The following reports have been received at the central library of the Association since May 1, 1930:

Finance Commission of the City of Boston:
  Reports and Communications, vol. XXV.
California Taxpayers' Association:
  Brief on Special Assessment Laws and Procedures (second edition).
Civic Affairs Department, Indianapolis Chamber of Commerce:
  The Bonded Debt of Local Units of Government as of May, 1930.
Kansas City Public Service Institute:
  Taxes and Special Assessments in the Downtown Business District of Kansas City, 1909–1929.
  The Jackson County Sewer District Number 1.
Bureau of Municipal Research of Philadelphia:
  Central Registration Bureau of the Municipal Court of Philadelphia.
St. Louis Bureau of Municipal Research:
  Elective and Appointive Officials, Boards and Commissions, City of St. Louis (chart).

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Citizens' Research Institute of Canada.—The report on the administrative and financial survey of York Township has been completed. It dealt not only with the present administration and financial position but also with future status, whether annexation to Toronto or incorporation.

A financial and administrative survey of the municipality of Riverside has been completed.

An administrative survey of the city of Port Arthur has been completed and the institute has been engaged to coöperate in the reorganization of the assessment department and the making of the 1930 assessment under the new system.

The first (city) section of the 1930 *Red Book, Financial Statistics-Canadian Governments* will, it is expected, be published within the next few weeks. The complete *Red Book* contains financial information for all Canadian urban municipalities with a population of over 400, as well as the provincial and dominion governments The information contained in the *Red Book* is all taken from financial reports or information supplied by the responsible officer. The majority of the Canadian bond houses dealing in municipal bonds subscribe for this publication, as do the leading banks, insurance companies, and a great number of Canadian cities.

⁂

Civic Affairs Department, Indianapolis Chamber of Commerce.—An analysis of the bonded indebtedness of all local units of government of Indianapolis has been prepared and issued by the civic affairs department of the Indianapolis Chamber of Commerce, as preliminary to the department's plan to bring about formulation of a long-term program of capital improvements.

The department, working with the Indiana Tax Survey Committee, created by special resolution of the 1929 general assembly, has submitted briefs on state income taxation and a proposed tax on consumption of electricity at hearings conducted by the committee. The brief on income taxation was prepared by Charles R. Metzger, co-author with Lionel D. Edie of a book on state income taxation. Mr. Metzger is also an assistant professor at Indiana University. The department has made for public distribution a summary of the matters presented at the hearings conducted by the committee. The committee expects to submit recommendations to the 1931 general assembly for changes in the Indiana tax structure intended to bring about better equalization of the tax burden by removing part of the burden from realty. A state income tax either as a substitute for all personalty tax or for the state tax on capital stock of corporations, various forms of sales taxes including a general sales tax and a tax on sales of luxuries, and special excise taxes have been discussed.

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National Institute of Public Administration.—The legislation recommended by the New York Commission on Old Age Security was passed unanimously by both houses of the legislature and the bill has been signed by the governor. The Commission is continuing its research work and is beginning to receive returns on its study of the age factor in industry. The work is being done by a special staff under the direction of Luther Gulick, director of the Institute.

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Bureau of Municipal Research of Philadelphia.—The central registration bureau is the subject of a report prepared by the Bureau of Municipal Research as a part of its survey of the municipal courts of Philadelphia and now published by the Thomas Skelton Harrison Foundation, which has been financing the survey.

The juvenile, domestic relations, misdemeanants, and criminal divisions of the municipal court of Philadelphia engage in probation and social case work, in which information about individuals and families gathered by the court organization is of great importance. When a case comes into one of these divisions there is always the possibility that another division has been working with the person or family involved. If so, an interchange of information will probably result in a short cut in the investigation, and may lead to a better handling of the problem. To provide a clearing-house through which divisions of the court may be informed of the activities of other divisions with particular individuals, the court about ten years ago established its central registration bureau.

Among other things the report discusses the relation of the court's central registration bureau to the Social Service Exchange; the extent to which divisions of the court avail themselves of the service of the bureau; the filing methods in the name index, which contained over 183,000 cards in 1925; and the need for complete reorganization of the bureau's street index. A noteworthy feature of the report is an appendix giving a list of about 1,700 first names arranged according to their sources. The purpose is to aid in standardizations of sub-filing by first names.

The report was written by Arthur Dunham, secretary, child welfare division, Public Charities Association of Pennsylvania; formerly secretary, Philadelphia Social Service Exchange. Interested persons may obtain copies, free of charge, upon application to the Bureau of Municipal Research, 311 So. Juniper Street, Philadelphia, Pa.

Schenectady Bureau of Municipal Research.—Mayor Henry C. Fagal recently reappointed the capital budget commission after the council, by a unanimous resolution had requested him to take such action. The commission is now established as a permanent branch of the city government and consists of four city officials and three civilians. The city officials are the president of the common council, city comptroller, commissioner of public works and city engineer. Of the three civilians one is general auditor of the General Electric Company, another president of a realty company and the third the managing director of the Bureau of Municipal Research. The new commission is to be entrusted with the task of revising and keeping up to date the long-term program and advising the council on all bond issues. In view of the fact that the council has requested the reappointment of the commission, it appears that capital budgeting in Schenectady is assured of a permanent and orderly development. The Bureau regards this as the most important single improvement which has been effected in the government of the city.

After devoting more than a year to a comprehensive survey of the school facilities of the city, the Bureau is now ready to confer with educational authorities in regard to the tentative conclusions which have been formed on the basis of this study. The survey indicates that school facilities are ample at the present time and that no new structures will be needed for some years to come. In computing the supporting data, it was necessary to measure all space in every school in the city.

A new law just signed by Governor Roosevelt gives the city or private individuals opportunity to foreclose on tax liens and release large amounts of property now removed from the tax rolls, and will in large measure check tax delinquency. The Bureau made a study of the problem last year and has followed the matter through the legislature with great interest. The Bureau is working with an aldermanic committee in drafting laws to completely correct local procedure.

Station WGY has requested the New York State Conference of Mayors and the Bureau to collaborate next year in another series of radio talks on city government. As in this year's successful series, prominent city officials from all parts of the state will speak about their special fields of administration.

St. Louis Bureau of Municipal Research.—The Bureau has recently added two senior members and one junior member to its staff. H. C. Loeffler, who joined the staff in March, was formerly with the Citizens' Union and Bureau of Municipal Research of New York and was more recently in industrial and governmental research work with the Massachusetts Institute of Technology and the University of Colorado. J. Otis Garber came to the Bureau in May. Mr. Garber was former civic affairs secretary of the Toledo Chamber of Commerce, and prior to that a secretary of the Toledo Commission of Publicity and Efficiency and assistant professor of political science at the University of Toledo. William A. Lafferty, junior staff member, was graduated from Berea College in 1929 and has been with the Bureau since last September.

The Bureau is continuing its studies of street paving. All the maintenance data in the city records is being analyzed to determine the life and maintenance characteristics of the various types.

A special study of all collections of municipal revenues made by various public officials is now under way. The study will include both revenue turned over to the city and fees and commissions retained by certain officials in lieu of or in addition to their regular salaries, together with a study of the accounting procedure involved.

The Bureau has completed the collection and classification of the receipts and disbursements of all the governmental units in the city and county for the Metropolitan Development Committee. A proposed constitutional amendment has just been made public by Prof. Thomas H. Reed, which would permit the adoption of a charter for a metropolitan government to function in the entire city and county area. The constitutional amendment will be voted on at the general election in November.

Considerable interest has been manifested in a recent move by the board of aldermen to eliminate the city's personnel department by refusing to appropriate salaries for the current year. A bulletin on the subject was recently issued by the Bureau.

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Toronto Bureau of Municipal Research.—The Bureau has moved to new quarters at 137 Wellington Street, West.

The 1930 edition of *Toronto at a Glance* has been completed and published. This booklet deals in brief with all phases of Toronto's business and community life and is distributed by the Bureau at a price which is as near cost as possible.

White Paper No. 153 entitled "Can the Organization of the Municipal Government of Toronto be improved?" has been issued and was widely commented on in the press.

Following the nomination by the board of control of Toronto transportation commissioners and the refusal of council to accept the nominees, an open letter dealing with the subject was prepared and issued. It was given extensive notice in Toronto daily papers.

Toronto's city budget for 1930 has been analyzed and two reports thereon will be issued shortly.

NOTES AND EVENTS

EDITED BY H. W. DODDS

A Correction.—Buffalo friends have called our attention to an error in the article by Mabel L. Walker in the May issue on "Budget-Making in Seven Cities." The statement was made therein that the mayor has power to veto any item in the appropriation bill passed by the council. In reality the mayor's veto power extends only to additions made by the council, each one of which must be stated separately and must refer to a single object. Reductions made by the council are not subject to the mayor's veto. Executive veto of additions may be overruled by a two-thirds vote of the council.

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Secretary of N. M. L. Recommends Central Purchasing for Newark.—Following a survey made at the request of the city commission, Russell Forbes, secretary of the National Municipal League and an authority on governmental purchasing, has recommended that Newark establish a central purchasing agency. He suggests that arrangements be made, if possible, with the county and the school district by which all purchases would be pooled under a single authority. The estimated saving for the city of Newark alone would be in the neighborhood of $300,000 a year, or 15 per cent of the annual supply expenditure. Mr. Forbes recognizes certain difficulties which commission government raises with respect to centralized purchasing which are avoided in the city manager and strong-mayor plans, but believes that they may be surmounted if the members of the commission will agree to consolidate their purchases in one office.

Mr. Forbes' report was published in full in the Newark newspapers.

*

Tammany Again at the Till.—New York has become so accustomed to the "gold rushes" of the Tammany prospectors that the latest, though the biggest, occasioned little clamor. For some time it has been the practice to include in the annual budget a million or more for the increase of salaries of underpaid clerks. This is hard to object to, for there are, in fact, many such. Six or eight months after, the director of budget, a veteran Tammany leader, brings forth the list. Inevitably it transpired that a hundred or more department heads received increases of several thousand dollars apiece, while the poor clerks received their few hundreds.

The latest incident was somewhat different. The preliminaries were shrouded in complete secrecy. The whole matter was skipped through in the board of estimate without the reporters present so much as guessing what was happening. Hours afterward it was learned that some two hundred commissioners and judges had been singled out for sizeable salary boosts, which will add half a million to the annual city budget. Conceding that the new salaries are hardly too high if the right men are to be attracted to these positions, such a view has nothing to do with the case. The beneficiaries of the latest raid upon the city treasury are, to a man, Tammany chieftain.s The city is not seeking to attract or hold better men in these places. Tammany attends to all that.

On the same day the board of estimate voted to spend over $200,000,000 for public improvements, in addition to our $600,000,000 budget. What a day! Joseph McGoldrick.

*

Question of Constitutional Convention before Indiana Voters.—The Constitutional Convention League of Indiana is working to secure a favorable vote at the election in November on the question of holding a constitutional convention in 1931. Former Governor James P. Goodrich, in launching the campaign, advocated the short ballot, the appointment rather than the election of judges, and the item veto of appropriation bills. Other proposals are the appointment rather than the election of the superintendent of public instruction, and home rule for cities. The word city does not appear in the Indiana constitution. Municipalities are now governed largely by special legislation. The act under which Indianapolis is governed has been amended three hundred and fifty times. A home-rule provision would end "the biennial march of the mayors of Indiana" to the legislature.

In 1917 a referendum on a constitutional convention was defeated largely through the opposition of the farmers. The provision which requires a uniform property tax is now seen to bear most heavily upon farmers and they are said to be the chief proponents of a convention in order that other types of taxes, such as an income tax, may be levied.

⁂

Oregon to Vote on a Cabinet Form of Government.—The Thirty-fifth Legislative Assembly of Oregon submitted to the voters a constitutional amendment providing for a cabinet form of government. This amendment will be on the ballot for approval or rejection on November 4, 1930. The amendment provides that on and after the first day of July, 1931, all executive and administrative offices, boards and commissions of the state, except the offices of governor, secretary of state and state treasurer, shall be abolished and all their powers, duties, property, equipment, records and obligations shall be transferred to the departments created by the amendment, in such manner as shall be determined by law. Each department, except that of education, will be in charge of an officer known as a director. The governor will be director of the department of state police and military affairs. The department of education will be in charge of a board of nine directors to be known as the state board of education. The directors will be appointed by the governor with the consent of the senate. The secretary and treasurer of state will continue to exercise the powers and duties prescribed in Article VI of the constitution. Under the amendment the executive and administrative functions of the state government will be performed by the governor with the assistance of the following nine departments:

(1) The department of agriculture;

(2) The department of labor and industry;

(3) The department of financial administration;

(4) The department of commerce;

(5) The department of education;

(6) The department of public works and domain;

(7) The department of health and public welfare;

(8) The department of state police and military affairs;

(9) The department of legal affairs.

In short, it is the purpose of this amendment to provide by constitutional amendment a cabinet form of government for the exercise of the executive and administrative functions of the state, all of the activities of the state being grouped under one or the other of the nine departments. It is contemplated that the existing State Board of Higher Education created by the Thirty-fifth Legislative Assembly shall be retained as one department under the cabinet form and all of the administrative functions of the state having to do with educational matters will be transferred to that department.

Homer D. Angell, in *Old Oregon.*

⁂

St. Louis Evolves Plan for Financing Street Improvements.—Our readers will recall that in 1923 the voters of St. Louis approved a gigantic bond issue to provide for a number of highly important civic improvements in line with the city plan. Street openings and widenings played a conspicuous part in the plan, but progress has been delayed by the inability of the city to provide money for the payment in advance of damages awarded to owners of property condemned. Part of the costs of street widening and similar improvements is paid by the city and part by adjacent property-holders whose property is specifically benefited. Under the law, however, the city is required to pay into court the total amount of costs of property condemned before it can take possession and proceed with the improvement. This means that the city must find the money for financing the entire project before work is begun, collecting the benefit assessments afterwards as it can. Experience has shown that although the unpaid assessments bear interest at 6 per cent, many are not paid at once and some are delayed for several years.

Since the city has not been able to provide, in the first instance, the whole capital for these projects, the work has been delayed. In June, however, a scheme by which the needed improvements can be financed was worked out by the city administration, and at this writing awaits the approval of the board of aldermen. An agreement has been made with a firm of St. Louis bankers whereby benefit assessment bills to the amount of $22,000,000 will be purchased by a specially organized finance corporation at 95 cents on the dollar. This will put the city in immediate possession of the capital necessary to proceed with the delayed projects. The 5 per cent discount represents the cost to the taxpayers of this method of financing improvements through notes which are not general obligations of the city but which are merely assessments against the property benefited. In general, so-called special assessment notes or bonds are expensive and undesirable. In this case, however, St. Louis will be enabled to proceed at a moderate extra cost without pledging the city's security. It appears to be its only course under the law and the city perhaps is fortunate in persuading the bankers to take the special assessment paper at no greater discount.

*

Attempt to Revive Ohio Municipal League.—Ohio has had no vigorous municipal league organization since the adoption of home rule in 1912, in which the Ohio Municipal League played an important part. On June 20 a meeting of the mayors of all Ohio cities was held, at which an attempt was made to revive the organization. The meeting was held under the auspices of the University and particularly the political science department. The support of the mayors of Cleveland, Cincinnati, Columbus, Toledo and Dayton has been assured. The program of the meeting included Walter J. Shepard, Dean of the College of Liberal Arts, Martin S. Dodd, city solicitor of Toledo and former floor leader in the Ohio house of representatives, and Harvey Walker of the university political science department. The adoption last November of a tax limitation amendment to the Ohio constitution makes municipal coöperation very important to safeguard revenues when new tax laws are enacted by the next general assembly.

HARVEY WALKER.

Ohio State University.

*

Schenectady's Capital Budget.—On June 20, 1928, Mayor Henry C. Fagal appointed a capital budget commission, composed of private citizens and city officials, to plan in advance the construction and financing of the public improvements which appeared to be most urgently needed in the city of Schenectady during the next ten years.

The commission was composed of men who were well qualified to study municipal finance. It held more than 30 meetings and devoted about nine months to its study of capital budgeting. The detailed work in the project was performed by the staff of the Bureau of Municipal Research.

The purpose of this non-political body appointed by Mayor Fagal was to decide on the basis of facts presented:

1. Which of all public improvements suggested were most essential to the welfare of Schenectady and its citizens.
2. How many of these could be made during each of the next ten years without causing an appreciable increase in taxes.

Preliminary reports dealing with all phases of long-term financial planning were prepared by the Bureau of Research for the consideration of the commission under the heads of:

1. Introduction to a Long-Term Financial Program for Schenectady.
2. Study of Schenectady's Population.
3. Schenectady's Physical Expansion.
4. Departmental and Miscellaneous Revenues.
5. Bonded Debt.

These preliminary reports presented the material for discussion, and after discussion and revision by the commission they were placed in the final report on a "Long-Term Financial Program for Schenectady."

The Schenectady Long-Term Financial Program has won praise from governmental experts everywhere. Several hundred interested city officials and citizens have written to Schenectady for copies of the report.

Recently Mayor Fagal reappointed the commission as a permanent body after a resolution requesting such action had been passed by the council. Two changes have been made in the personnel of the body. Hugh R. McPartlon, president of the Common Council, succeeds the late James A. Horne, former council president and chairman of the commission, and Albert H. Hall, managing director of the Bureau of Municipal Research, takes the place of Joseph F. Base, former director of the Bureau and secretary of the commission. At its organization meeting, the commission selected the president of the common council as chairman, the city engineer as vice-chairman, and the director of the Bureau of Municipal Research as secretary. The functions of the newly constituted commission will be to revise and keep the program up to date *and to advise the council on all bond issues.*

At a recent public meeting held by the Bureau of Municipal Research, the mayor and council leaders pledged themselves to be guided by the 10-year budget plan in all future city operations. The Bureau has sought in every way to properly educate citizens in this new phase of municipal finance and as a result, there has been a wide public discussion of the benefits of fiscal planning.

With a permanent Capital Budget Commission and with the loyal support of interested citizens, the prospects appear bright for the orderly development of Schenectady.

Albert H. Hall, *Managing Director.*
Schenectady Bureau of Municipal Research, Inc.

*

Progress Report of National Committee on Municipal Standards.—The National Committee on Municipal Standards was organized in May, 1928, and began its work of developing standards for measuring and reporting municipal activities. This committee is composed of members representing the National Municipal League, the Governmental Research Association, International City Managers' Association, and the American Municipal Association. Progress at first was slow due to lack of funds and permanent staff, but through the courtesy of the National Institute of Public Administration, Clarence E. Ridley, secretary to the committee, who was then on the Institute's staff, was able to devote sufficient time to the work as to prepare a tentative report on "Units of Measurement for Street Cleaning, Refuse Removal and Disposal."

In view of the excellent reception accorded this report and the general program of the committee, the Julius Rosenwald Fund and the Local Community Research Fund of the University of Chicago made appropriations late in 1929 for a three-year period to extend the work already begun. In the meantime, Mr. Ridley had become executive-secretary of the International City Managers' Association and a member of the political science department of the University of Chicago, but still retained the secretaryship of the committee. In January, 1930, Donald C. Stone, assistant director of the Committee on Uniform Crime Records of the International Association of Chiefs of Police, was employed as full-time director of the work. With the addition of secretarial services, the work is now progressing very satisfactorily.

During the first three months of this year, the director of the National Committee on Municipal Standards aided Bruce Smith, director of the Citizens' Police Committee of Chicago, in drafting a reorganization plan for the Chicago police department and in the installation of a revised records and communication system. The new records and communications are not only making it possible for Chicago to become an accurate reporting unit in the nation-wide system of uniform crime reporting devised by the Committee on Uniform Crime Records of the International Association of Chiefs of Police, but also provide the administrative officials with information necessary for effective planning and control of police operations. For these services our director was reimbursed by the National Institute of Public Administration which was conducting the survey for the Citizens' Police Committee.

Most encouraging progress has been made in the work of developing uniform units of measurement and cost accounting for street sanitation. Through extensive correspondence and several trips into the field, many suggestions and criticisms have been gained regarding the tentative draft on "Units of Measurement for Street Cleaning, Refuse Removal and Disposal." This tentative report must be thoroughly revised and incorporated into a manual with complete instructions and forms for computing quantities and costs of sanitation work together with the means by which these computations can be converted into daily, monthly, and annual reports.

In connection with the above we have recently held two meetings of officials of the International Association of Street Sanitation Officials. The latter meeting on May 9 consisted of the entire committee of their association appointed to coöperate with us, together with their president, secretary, and treasurer. The officials not only agreed to full coöperation but adopted the formal name "Committee on Uniform Street Sanitation Records" under which all our work in street sanitation will be carried on in the future. This actually attaches the project directly to the street sanitation officials themselves, with the staff of the National Committee on Municipal Standards becoming the technical staff of this committee. Without being unduly optimistic, we can look forward to as constructive results in this field as were obtained through the police chiefs in the field of crime reporting.

At this same meeting the committee took the first step in realizing this purpose by adopting standard units of measurement for street cleaning, refuse removal, refuse disposal, catch basin cleaning, and snow removal. The classes of expenditure to be included in computing costs for these units were also determined. As a means for better reporting to the public, it was further decided to publish a guide for preparing annual street sanitation reports employing the approved standard units of measurement.

The proposed program of work for the National Committee on Municipal Standards is as follows:

1. Preparation and wide distribution of a program of action for the Committee on Uniform Street Sanitation Records. This will tell of accomplishments to date and invite suggestion from all interested groups.
2. Publication of a guide for preparing annual street sanitation reports.
3. Revision of the tentative draft of "Units of Measurement for Street Cleaning, Refuse Removal and Disposal" in the form of a complete manual, this manual to include all necessary instructions and forms for computing quantities of work and costs.
4. Continuing our collaboration with the Committee on Uniform Crime Records in the extension and improvement of uniform crime reporting and then setting up certain standards for police work on the basis of this system.
5. Obtaining the coöperation of other organized groups of city officials, such as the International Association of Fire Chiefs and the American Road Builders' Association to the end of developing standards in their respective fields. Our present arrangement with the International Association of Street Sanitation Officials is an example of how such relations can be established.
6. Encouraging the nation-wide adoption of standard units of measurement and reporting, keeping in touch with the results of their actual operation, and revising such units in the light of experience.

In view of the committee's attempt to establish standards which may affect the administration of all cities in the country, it is exceedingly important that we proceed advisedly and with care. In its very nature the undertaking must be a joint one, deriving the benefits of joint experience. We are, therefore, asking that you keep this work in mind and give us the benefit of your suggestions and criticism not only with respect to this progress report but to our technical reports as well. Such communications should be addressed to the director.

Col. H. M. Waite, *Chairman.*
Clarence E. Ridley, *Secretary.*
Donald C. Stone, *Director.*

*

The Housing Association of the City of New York has been formed by a committee of citizens to fill a widely felt need for a well-knit organization which can combine the functions of survey, propaganda, law enforcement and financing of low-cost housing. It will

1. Make new studies and correlate existing data as to conditions that affect housing.
2. Print and disseminate information, and hold and address meetings, for the purpose of interesting and informing owners, builders, tenants, and others, as to needs, possibilities and methods of housing betterment.
3. Coöperate with the activities of governmental agencies—legislative and administrative, state and local—concerned with housing in the metropolitan area.
4. Coöperate with other organizations, corporations and individuals, interested in housing, real estate development, city and regional planning, parks, playgrounds, schools and transit, in so far as their programs or activities touch upon the improvement of housing conditions.
5. Advocate legislation to establish and, from time to time, raise housing standards, and to prevent the creation of new slums.

The immediate objectives for the carrying out of this program are to

1. Promote enforcement of, and study the need of improvement in laws and ordinances relating to housing, and coördinate existing activities toward that end.
2. Stimulate the rehabilitation of blighted districts, and of unsafe and unsanitary housing, by reconditioning or by slum clearance and new construction.
3. Evaluate the accomplishments of low-cost housing enterprises since the War, in New York and elsewhere, and make available for future builders the results of such experience.

The major objective to be developed in the future after the completion of the preliminary work outlined above is the creation of a Housing Foundation. This is to be an altogether new type of agency in this work. The foundation will have such a financial structure that it will be able to loan or invest funds in well planned, low-cost housing enterprises either for the construction of new housing or for the renovation and improvement of existing housing and aid experimental demonstrations of low-cost housing possibilities.

The foundation will also assist organizations of coöperators seeking to create their own coöperative housing developments.

It will help to support research organizations contributing toward the advancement and application of technical knowledge with respect to site planning and housing construction.

The officers of the association comprise a distinguished list of names. Alfred E. Smith is president. R. Fulton Cutting and Dr. Felix Adler are honorary vice presidents. Alexander M. Bing, Frederic A. Delano, Mrs. Ruth Pratt, and Mrs. V. G. Simkhovitch are vice presidents.

In a statement to the press Former Governor Smith said:

While New York City is modernizing itself in every direction with new subways, new bridges, new highways, wider streets, new skyscrapers with every modern equipment, just around the corner the old-law tenements with their dark rooms and unwholesome, dangerous construction are still standing. Least progress has been made in low-cost housing. It is surprising that a city which has gone so far in following new lines in every other endeavor should have permitted itself to go on growing without thought as to how to keep its population properly housed at costs which meet low incomes and within reasonable distance of work. Thousands of families are still living in old-law tenements declared unfit for occupation forty years ago, and bringing up children in them. Manhattan, especially, is suffering and will continue to suffer from the loss of this element of the people who are moving to parts of the city where they can get living quarters in keeping with their incomes, but at great distances from their work. Unless the tide is stemmed now and a resolute effort made to apply to the need for low-cost housing the brains and ability that have progressed other industries, we will soon have no working population on Manhattan Island.

We give billions every year for philanthropic purposes. Huge foundations are being established for everything under the sun except housing. We spend hundreds of thousands of dollars to study crime and delinquency and disease and do nothing to remove what has been pointed out over and over again as the fundamental cause, bad housing. We have foundations for orphanages and schools and colleges and do nothing to provide wholesome homes from which the students are to come.

It is my hope that when the preliminary studies of this association have been completed and the facts are laid before the citizens of New York they will take the necessary steps to put housing on a substantial basis by the establishment of a well considered housing foundation empowered to invest in such a program.

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Chicago Votes on Traction Ordinance.—We go to press too early to report the result of the referendum in Chicago on July 1 on the proposed traction ordinance passed by the city council on May 19. The election is the culmination of months of discussion and controversy regarding a practicable solution of Chicago's transit difficulties and irrespective of the popular verdict (which will be announced in our August issue). A description of it is of importance to our readers.[1] The ordinance is based on enabling legislation adopted by the Illinois general assembly in 1929.

The ordinance provides:

A unified local transportation system to consist of the surface lines and rapid transit system.

Terminal grant.—The city has the right to purchase the properties of the system upon six months' notice.

Extensions and improvements costing $200,000,000 within ten years, $65,000,000 of which are to be put in within the first three years.

Subways.—The city is to construct two subways through the central business district. The cost of construction will be financed by the present transit fund and by special assessments.

Rates of fare will remain the same as now "until changed by the local transit commission." Free transfers are provided between elevated (with a 10-cent fare) and surface lines (7-cent fare); and a 3-cent charge for transfer from surface to elevated lines.

Maintenance.—A fund of 7 per cent of the gross receipts is set aside for renewal, depreciation and obsolescence; also 2½ per cent of the gross receipts as a damage reserve fund.

City's compensation.—As compensation for use of public property the city receives 3 per cent of the annual gross receipts.

Pensions.—The company must establish a pension system, also reasonable life and health insurance for employees.

Value of properties.—The ordinance places the value of $260,442,063.82 on the properties of both surface and elevated lines as of August 31, 1929. To this amount will be added any additions to capital value between that date and the effective date of the ordinance.

Return to the company.—A just and reasonable return to be fixed by the local transit commission.

Transit commission.—A city transit commission of three members is provided. It is to be appointed by the mayor with the approval of the council and will have jurisdiction over all local transportation facilities and service within Chicago and for an area within thirty miles from the city's boundary and will exercise the same powers now possessed by the Illinois Commerce Commission.

Following is a résumé of arguments which are being put forth for and against the ordinance:

ARGUMENTS FOR THE ORDINANCE

Business interests in both the central business district and the outlying districts champion the adoption of the ordinance as a means of stimulating the city's continued growth and development. The measure will assure the long-needed subways and will also obtain for the outlying districts extensive and increased rapid transit facilities which are, in fact, sorely needed. The 1907 traction ordinances having expired three years ago, no new money can be raised for extensions and improvements to service. Hence unless this ordinance is accepted, chaos will result.

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[1] For a vivid picture of the Chicago situation see Paul H. Douglas, *Chicago's Persistent Traction Problem*, NATIONAL MUNICIPAL REVIEW, November, 1929.

ARGUMENTS AGAINST THE ORDINANCE

The terminable grant is, in fact, interminable or perpetual, for the purchase price, plus capital additions, would aggregate a sum which would exceed the city's bonding power, and also would be so large as to be practically prohibitive.

The purchase price is alleged to contain $50,000,000 of "water."

There is no assurance that rates will not be raised. (The transit commission has authority to do so.) Estimates of "reasonable return" on the capital value (8 per cent as set by United States Supreme Court decisions) indicate that the combined system must earn $4,000,000 more than the companies now earn separately to assure such return.

The present $60,000,000 traction fund, which the city has been collecting over a period of twenty years, by being used to build the subway system, is wiped out for the benefit of the traction and "loop" interests. The fund was originally provided to enable the city to acquire the surface lines. It was built up by annual payments of 55 per cent of the surface lines' net earnings.

The ordinance contains no effective guarantees that the promised extensions and improvements will be constructed.

The enabling legislation setting up the transit commission is unconstitutional in that, without referendum approval, it gives the mayor and city council of Chicago authority over cities and towns within the thirty-mile radius outside Chicago over which the commission will have jurisdiction.

The ordinance omits safeguards of the public interests. It is pointed out as significant that throughout the negotiations for the enabling legislation and the proposed ordinance, all proposals looking to such safeguard of the public interest, by incorporating into the respective drafts qualifying phrases, were consistently disregarded.

Arguments that the ordinance through the transit bill provides "home rule" for Chicago are specious; also that adoption of the ordinance will mean prompt work for labor is false, since the company has 120 days to accept the ordinance after it is approved by the people.

PROSPECTS OF SUCCESS

The probability of a light vote and the backing of the city hall machine, together with the vigorous progaganda of the interests involved, appear to give the ordinance good prospects of adoption. But despite the lack of outstanding leadership, the opposition is steadily arousing sentiment against the measure. From the standpoint of the relative number of organized groups working for and against it, the ordinance should pass. It is a question, however, how far these groups, dominated by small groups of individuals, represent actual voting strength.

⁂

Training School for Civil Service Officials.—In April New York State tried the interesting experiment of a two-day training school for municipal civil service commissioners and secretaries. It was held at the city hall, Albany, under the auspices of the New York State Conference of Mayors and Other Officials and the New York State Civil Service Commission. The instruction took the form of lectures followed by general discussion and questions. The sessions were well attended, particularly by representatives of smaller municipalities whose staffs are very limited in size and who are particularly in need of information regarding up-to-date methods of civil service administration.

DAYTON'S SIXTEEN YEARS OF CITY MANAGER GOVERNMENT

AN APPRAISAL OF A PIONEER VENTURE

By

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of Community Service*

and

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Director, Dayton Research Association

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Dayton was the first prominent city to adopt the manager plan, and the results of her venture have been critically observed by cities all over the world. Her sixteen years' experience is a fair indication of what is possible under the manager plan if the citizens are alert to the opportunity it affords.

The authors of this appraisal are trained municipal researchers who have been intimately associated with Dayton's municipal government since the organization of the Dayton Municipal Research Bureau in 1912.

DAYTON'S SIXTEEN YEARS OF CITY MANAGER GOVERNMENT

Sixteen years of efficient, economical city government, sixteen years during which the governed were given primary consideration—that is Dayton's record, perhaps an all-American one. Dayton is thankful for these sixteen years and hopeful for its continuance. Hopeful, because one never knows what the day may bring forth in public affairs. For sixteen years, or to be exact, since January 1, 1914, Dayton has been operating under the commission-manager plan, a pioneer in this form of government in the United States. Have the manager plan and good government in Dayton been cause and effect or merely coincidence?

If it is a coincidence it is a very remarkable one, because prior to January 1, 1914, Dayton did not have sixteen consecutive months of the quality of government it has enjoyed since that date. Nevertheless, it is fair to ask to what extent the form of government has been a cause. In the following pages an attempt will be made to tell the story of Dayton's experience immediately before and since it adopted this plan. Perhaps the recital will help appraise the relative value of the form of government, the personnel and the imponderables and the parts played by these factors during the sixteen years.

The periods before and immediately after birth are critical ones in a child's life and the care given it during these days has much to do with its survival and future well-being. It may be that something was done during these periods of commission-manager operation in Dayton which contributed to the healthful condition of Dayton's government for these sixteen years.

GOVERNMENT BY DEFICIT PRIOR TO 1914

Prior to January 1, 1914, Dayton's government was not particularly worse than that of many other cities; perhaps not so bad as that of some. But it had been inefficient; it had been concerned more with serving the "faithful" than with serving those for whom the government was really created. Politics had a ringside seat; it dictated when the bell was to be rung and had a voice in the decisions. Issuing long-term bonds to pay for services rightly chargeable to current operating funds or issuing them for terms extending beyond the life of the improvement is a sample of the type of financing done. The tabulation on page 498 will illustrate.

There was practically no health service, with the result that epidemics necessitated the closing of schools for weeks at a time; no collection of rubbish; streets that required extreme discrimination in selecting driving routes about the city; laying off of firemen and policemen because of lack of funds; only 35 acres of parks for a city of 130,000 people; and not a playground operated by the city government. These are a few obvious manifestations of nineteenth-century city administration carried over into the twentieth century. Perhaps this was no worse a picture than most cities presented then, but it was bad enough for an alert minority of the public—a very small minority, it is true—weary of such municipal housekeeping to want a change and to make others conscious of a need for improvement. This group was weary of a government

Long-Term Bonds Outstanding Issued to Meet Operating Charges

Amount outstanding Jan. 1, 1914	*Purpose*	*Year of issue*	*Year of last payment*	*Estimated life of improvement*
$108,000	Unpaid bills and payrolls	1909	1924	None
25,000	Street lighting	1911	1940	None
30,000	Street lighting	1911	1925	None
50,000	Street repairs	1911	1935	5 years
13,000	Street repairs	1905	1925	5 years
100,000	Paving	1894	1916	10–15 years
175,000	Paving	1893	1919	10–15 years
15,000	Cleaning sewers	1908	1926	None
25,000	Reissue street paving (should have been paid at maturity, 1911)	1894	1927	10–15 years

carrying on without effective budgeting, which for six successive years had had a deficit of $60,000 a year in operating expenses.

It is true that money was not too plentiful, and that the limit imposed by the tax laws provided, as it still does, an insufficient amount of money with which political subdivisions could operate satisfactorily. No administration should be criticized because it is unable to do things on account of lack of money, but governmental administration does merit criticism when it makes no attempt to procure the most for the money that is available. It merits criticism when policies are decided and methods are adopted upon the basis of political expediency rather than upon the basis of the community's welfare. Could economies be effected or methods employed that would give more adequate service? If such questions were asked or were in the minds of the various administrations, it was not evident from the action usually taken. For example, so effective, simple and proven a practice as central purchasing, for some reason, was never tried although the city apparently did not have enough money for such necessary services as adequate police and health protection. There simply were too many complications under the old form of government with its weather eye on party expediency.

Up to 1914 Dayton had been operating under the federal plan of city government. The mayor, auditor, treasurer, solicitor, and fifteen councilmen constituted the list of elected officials and were chosen on partisan tickets. One councilman was elected from each of the twelve wards, and three were elected to represent the city at large. It was the usual partisan political government with the local unit considered merely a subdivision of the national party organization, and as such, its primary reason for existence seemed to be the furnishing of jobs to the "key men" of the political party so that the organization might thereby be strengthened. The victorious party at the polls emptied the offices of those who held jobs because of political performance, only to fill them with its own faithful. Qualifications for offices and positions were naturally of secondary consideration.

The mayor, as executive, was presumably responsible for the actual operation of the city service, but all he had under his jurisdiction were the two main departments—public service and public safety. The health department, such as it was, operated under a board appointed by the mayor. The legal department and the finance department were each under separately elected officials. When the executive and the majority of the council were of opposing political faiths the community paid the penalty. The appellation "government by deficit" characterized the kind of administration Dayton had.

It would be untrue to imply that the people of Dayton as a whole were acutely conscious of a need for a change in government, much less in the form of government. If there was such consciousness it was unorganized and insufficient to attain even that moderate degree of efficient operation possible under the cumbersome antiquated form. But there were leaders in the community—men who knew a change of some kind was needed and who were articulate on the subject. Outstanding among these leaders was John H. Patterson, then president of the National Cash Register Company. In 1896, seventeen years before the change in government took place, at the Centennial celebration of the founding of Dayton, he made the following prophetic statements:

> What ought the Dayton of the future be? Does its greatness depend upon the matter of its population? If it does, then Peking, with all its squalor and vice, is a great city. To become really great, however, our city must accomplish the largest amount of good for the largest number of her citizens, uniting all the best things which exist in other cities into an ideal city. Does she do this now? No; and why not? Because we are not educated sufficiently to realize our most urgent needs. We have no definite municipal ideas. Before we can have a great city, we must learn what a truly great city should be. We must first educate the people.
>
> A city is a great business enterprise whose stockholders are the people. . . . Our municipal affairs would be placed upon a strict business basis and directed, not by partisans, either Republican or Democratic, but by men who are skilled in business management and social science; who would treat our people's money as a trust fund, to be expended wisely and economically, without waste, and for the benefit of all citizens. Good men would take an interest in municipal government, and we should have more statesmen and fewer politicians.

This statement of how a city should be operated was a forecast of the commission-manager form of government. Seventeen years later Mr. Patterson became head of a Citizens' Committee to study forms of city government incident to the movement for a change. The commission-manager plan was recommended and the people of Dayton were given an opportunity to apply it. And they did.

Mr. Patterson was first to promote interest in public affairs through lectures at his factory and through his factory house organ. He inspired the creation of neighborhood improvement associations after having introduced one into the district around his factory. Those organizations directed attention first to their own neighborhoods but later, when a federation was organized, to improvements for the city as a whole. For a number of years educational work was carried on to interest the people in their local government.

In September, 1912, Ohio adopted the home rule amendment to its constitution. Immediately afterward George B. Smith, president of the Dayton Chamber of Commerce, appointed a committee of citizens to study the question of initiating a movement for a local charter and to suggest ways and means of doing it. This committee, composed of five leaders, John H. Patterson, chairman, E. A. Deeds, F. H. Rike, E. C. Harley and Leopold Rauh, favored the commission-manager form, and its decision was approved by the Dayton Chamber of Commerce because—

1. The plan was simple.
2. Responsibility and authority were definitely fixed.

3. It seemed most responsive to the electorate.
4. It was free from the meaningless, yet harmful, labels of national party organizations.
5. Its form of organization, similar to that found in business corporations, was planned to render service.
6. It was devised to make possible a continuing policy in the administration of the city's affairs, because the administrative head would be appointed for an indefinite tenure, and would not have to be elected every two or four years.
7. It provided for the selection of the administrative head by appointment, on the basis of experience in the field of governmental administration, as against the selection of a qualified executive head by chance through election.

HOW ADOPTION OF THE PLAN WAS SECURED

This committee of five was expanded to a committee of one hundred representing every interest in the community. With the organization of this larger group a public meeting was held, attended by more than two hundred, at which the three types of government were discussed, the sentiment being clearly in favor of the commission-manager form. Other meetings were held by smaller groups at which the relative merits of the commission-manager and straight commission forms of government were discussed until the whole group of two hundred was unanimously in favor of a charter commission pledged to the commission-manager plan.

By a primary election conducted through the mails, the two hundred selected fifteen of their number to become candidates for the charter commission, and these fifteen were pledged to write a commission-manager charter containing among other things the following provisions:

> A commission (council) of five elected at large on a non-partisan ticket and subject to recall.
>
> A city manager selected by the commission, on whom would repose all administrative duties relating to the government of the city.
>
> A referendum and protest on all legislation.
>
> And what is more important—a charter which would secure the greatest welfare of the citizen body and not conserve the interests of any faction, political party, or individuals.

By putting up a charter commission pledged to a definite form of government it was felt the election of this commission would reflect definitely the wishes of the voters. Two other charter commissions were placed in the field—one by the Democratic party and the other by the Socialists, both pledged to some federal form of government. The Republican party was not opposed to the change. As individuals the members of the party lent their aid.

The task now confronting the Citizens' Committee was to overcome the advantages of the other two parties with their city-wide organizations experienced in campaigning year after year. The Citizens' Committee left nothing to chance. It created a city-wide organization with the election precincts as units, in each of which a captain was appointed who in turn selected a subordinate in every block, all being under the general direction of a ward leader. It was a thoroughgoing campaign with a house-to-house canvass pledging every person to vote for the commission-manager plan. The campaign was not merely to elect a charter commission; it was to elect a commission pledged to a brand new form of government. A task of this kind could not be accomplished by enthusiastic speeches and vague generalities. It had to be done by intensive education. It had to overcome a form of government, however inefficient, to which the people were accustomed. It had to overcome a strong self-interested political machine. However, by a vote of two to one a charter commission was elected and authorized to write a commission-manager charter. On the day of election the Citizens' Committee worked as effectively as an old-time polling machine, leaders in every precinct with a list of the voters favoring the commission-manager form visiting the voters and sending them to the polls. In each polling booth and at the counting of the ballots the Citizens' Committee had adequate representation.

The personnel of this commission show its widely representative character:

John H. Patterson, manufacturer
E. C. Harley, wholesale grocer
F. H. Rike, merchant
John F. McGee, merchant
J. B. Zehnder, furniture superintendent
O. B. Kneisly, dentist
Fred Cappel, furniture merchant
William A. Sparks, laboring man
Lee Warren James, lawyer
E. E. Burkhart, lawyer
C. E. Bice, lumber merchant
E. T. Banks, Negro representative
A. I. Mendenhall, union printer
Leopold Rauh, representative of business organizations.

The people having declared themselves for the commission-manager form of government, it remained for the commission to write a charter embodying this principle. The election for the charter commission was held on May 20, and on June 23, 1913, five weeks after its election the commission by intensive work had completed its task. The vote on the charter was to take place on August 12, 1913, and the Citizens' Committee again set to work to carry on a campaign to assure success. The same citizen-organization which had done such effective work in the first campaign was called into action a second time and a process of education was begun through hundreds of meetings of small groups of voters, in churches, on street corners, and in homes where neighbors would gather to hear the charter explained.

The campaign was a strenuous one. In spite of the campaign for the election of the charter commission, it was necessary now to defend and explain the detailed provisions of the city-manager charter. The Socialists conducted an open campaign against the charter and raised some fundamental questions. Was not the commission-manager form of government autocratic, giving too complete power to the city manager? Was it representative, since it provided for a commission of only five elected at large? The initiative, referendum and recall were attacked because it was felt that the number of signatures requested was too large to make them effective. In brief, all the fundamental points in the charter were attacked, but this attack had a salutary effect because it required continual and persistent explanation which informed more and more people about the details of the charter and the form of government.

The Dayton charter's principal features are:

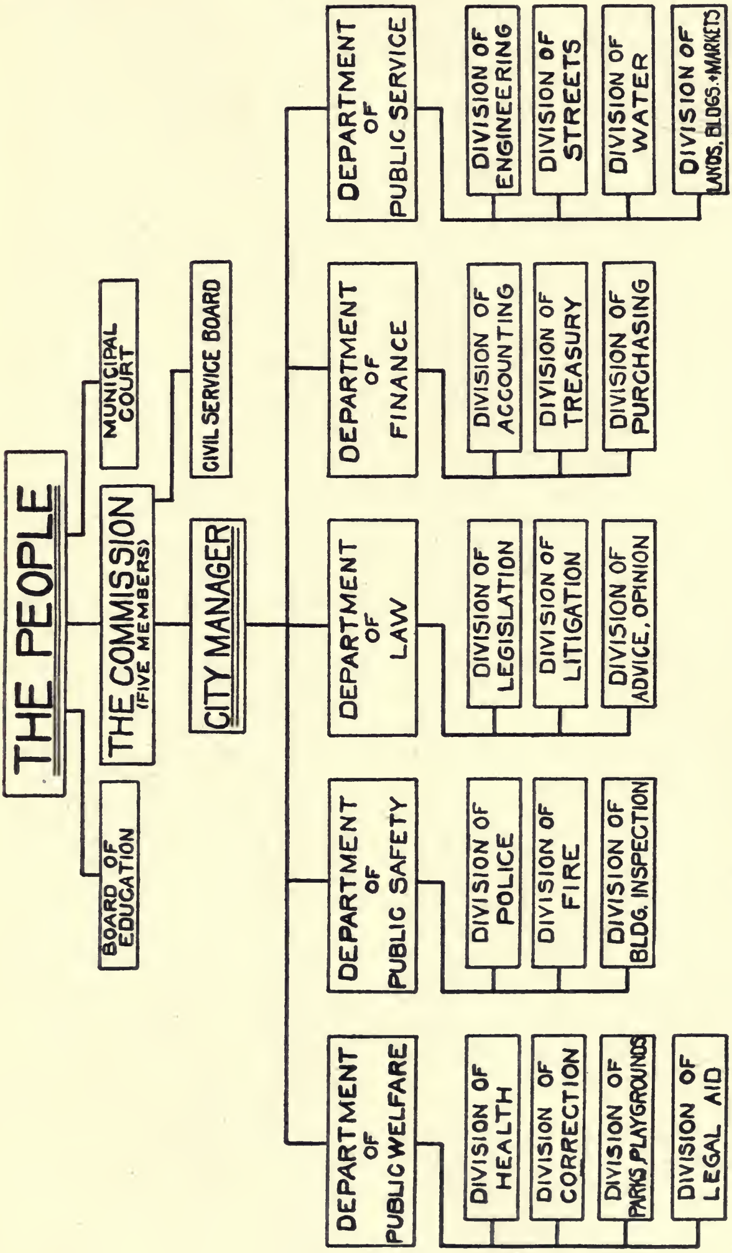
1. A commission (or council) of five, elected at large on a nonpartisan ticket, whose duties are purely legislative and policy-determining.

2. The manager is appointed without regard to his political beliefs and need not be a resident of Dayton at the time of his appointment. His principal duties are as follows:
    - a. Supervision of departmental administration.
    - b. Execution of laws and ordinances.
    - c. Recommendation of legislative measures.
    - d. Appointment and removal of heads and sub-heads of departments without restriction. Employees of classified service are subject to the civil service provisions of the charter.
    - e. Preparation of the budget.
3. Initiative, referendum and recall.
4. Five departments: law, public service, public welfare, public safety, and finance.
5. Power of commission to discontinue any department by ordinance and to determine, combine and distribute the functions of departments.
6. Advisory boards of citizens to serve without compensation, whose duties are to consult and advise with departments.

Education and organization won. The charter was adopted by a vote of 13,318 for to 6,010 against.

No story of Dayton's adoption of the council-manager plan would be complete without mention of two events, the establishment of the Bureau of Municipal Research in October, 1912, and the Dayton flood of March, 1913. These two events are unrelated but they both played a significant part. The Bureau of Municipal Research, with L. D. Upson as director, immediately set to work studying scientifically and impartially the operation of Dayton's government. It built up a body of facts which were used most effectively during the next spring and summer in the charter campaign. This information was not collected primarily for this purpose, for in common with the policies of similar organizations in the United States the Dayton Bureau of Municipal Research offered its services to the public officials as a citizens' research and fact-finding organization for the purpose of helping them apply scientific methods to government, using research as a basis for improved changes wherever needed. Except for the city engineer and the clerk of the council, Wayne G. Lee (who became secretary to the first two city managers and then director of finance in the new government), not a public official responded to the offer of aid and coöperation from the Bureau. This agency, however, proceeded to study public records, followed the fiscal policies and procedures, kept in close touch with the council activities, and checked departmental operations where opportunity permitted. Accordingly, proponents of the new charter did not have to depend upon opinion, prejudice or belief for campaign material. They had solid, incontrovertible facts.

"Government by deficit," the appellation given Dayton's government by the Bureau, became a campaign phrase. It was an epitome of the whole fiscal and administrative policy of the old government so recognized and accepted by the public because of the supporting data proving its validity. Wasteful methods in garbage collection by which the city received a five-hour-a-day service for eight hours' pay was based on actual study and not on suspicion; unsound financing and ineffective budgeting were revealed by facts and figures. This type of continual educational publicity through pamphlets and through the newspapers, which gave whole-hearted coöperation, apparently had its effect.


THE PEOPLE
BOARD OF EDUCATION
THE COMMISSION (FIVE MEMBERS)
MUNICIPAL COURT
CIVIL SERVICE BOARD
CITY MANAGER
DEPARTMENT OF PUBLIC WELFARE
DIVISION OF HEALTH
DIVISION OF CORRECTION
DIVISION OF PARKS, PLAYGROUNDS
DIVISION OF LEGAL AID
DEPARTMENT OF PUBLIC SAFETY
DIVISION OF POLICE
DIVISION OF FIRE
DIVISION OF BLDG. INSPECTION
DEPARTMENT OF LAW
DIVISION OF LEGISLATION
DIVISION OF LITIGATION
DIVISION OF ADVICE, OPINION
DEPARTMENT OF FINANCE
DIVISION OF ACCOUNTING
DIVISION OF TREASURY
DIVISION OF PURCHASING
DEPARTMENT OF PUBLIC SERVICE
DIVISION OF ENGINEERING
DIVISION OF STREETS
DIVISION OF WATER
DIVISION OF LANDS, BLDGS.+MARKETS

The Organization of the City Government of Dayton

It would be untrue to say that the Dayton charter or the successful campaign for its adoption was the result of the flood. The movement for the charter had gained full headway before March, 1913, but the flood did help. It brought out in bold relief the incompetency of the administration which had broken down at a critical time, and necessitated the creation of a citizens' relief committee to lead in bringing order out of chaos. Exposure to this experience of expeditious, effective handling of public affairs at a particularly difficult time undoubtedly convinced the public what could be done by an administration motivated by the single purpose of rendering service.

This detail of events in Dayton's movement for adopting the commission-manager charter is given because in it may be contained part of the answer to the success of Dayton's government from that day to this.

Promise Really Fulfilled

In November, 1913, the first commission was elected. The five men chosen could not have been induced to hold public office under the old conditions, but they did consent to serve under the new régime. None of them had been active party workers and their election was on an absolutely nonpartisan basis. Behind them was the Citizens' Committee, a really significant organization at the time, which helped elect them from a field of fifteen candidates, five of whom represented the Democratic party and five the Socialist.

The first business and the first test of the commission was the selection of a city manager. An administrator was promised, chosen for his qualifications for the job. No plums were offered and no faithful wheel horse or controller of votes was wanted. The commission met the test with eminent success by appointing Henry M. Waite, then city engineer of Cincinnati under the efficient administration of Mayor Hunt. What were Mr. Waite's politics? Nobody cared. Mayor Hunt was a Democrat; the majority of Dayton's commission voted the Republican ticket. This appointment was the outstanding achievement of the commission and if the charter campaign had done nothing more than give Dayton four years of Henry Waite as manager, it would have more than repaid the effort.

Mr. Waite's salary was fixed at $12,500 a year. It required some courage to pay a city official as high a salary as that in 1914. The mayor of New York was being paid only $15,000 a year, and the mayor of Dayton had received $5,000. There was criticism from some quarters of paying the manager $40 a day. This seemed even greater extravagance than when the amount was mentioned on the annual basis. But events proved to the public's satisfaction that Dayton had secured a bargain.

One of the conditions attached to the appointment was that the manager would be manager and would be given a free hand in carrying out the duties imposed upon him by the charter. Anyone who knows Mr. Waite realizes he would not have accepted the position under any other agreement. He brought to his task not only unusual administrative ability and dynamic force but breadth of vision and a charming and colorful personality, equally at home in the drawing rooms of Dayton's élite, in the fire stations with the "boys," or swapping a word with the street gangs at work.

Appointments of department and division heads were made on merit. A leading attorney was made director of law; one of the manager's assistant engineers from Cincinnati, director of public service; an outstanding minister and student of governmental and social problems, Dr. D. F. Garland, was appointed director of public welfare; a public accountant, director of finance. The safety department directorship was not filled for a year and a half, the manager himself working directly with the police and fire chiefs. It was an efficient set-up. In the minor unclassified positions the same care was used. There was no wholesale dismissal of old employees. Although he found the departments filled with political appointees, Mr. Waite let it be understood that all would be given a chance to qualify and if they proved satisfactory would be retained. Practically all were continued and he won the full-hearted support of all the employees, many of whom are still in the city's service.

It was not an easy task that confronted the new administration. The people sat back waiting to see what this marvelous new machine and this high-priced manager would do, what wonders they would perform. They had voted for all this because they were promised everything they lacked under the old form of government. So well were the people educated during the charter campaigns as to what was wrong with the old government and what constituted unsatisfactory government that they became extremely critical and discriminating. They were enlightened, and "they would never again be satisfied with what they had before." This feeling was wholesome because it kept the administration on its toes, ever striving to meet increasing demands. Yet so quickly did the people acquire the habit of accepting improved service, that they too readily took it for granted and frequently became unjustly critical, although a few months previously they would have been most grateful if they had received even a fraction of this service.

Die-hard politicians and the Socialist newspaper lost no opportunity to pick flaws, but the commission and the manager went on cheerfully doing the job before them, meeting criticism with performance. The first administrative task of the manager was to prepare the budget, the work program for 1914. The charter called for definite information, comparisons with other years, and a minimum of data—which insured at least a sound form of budget. Prior to this time Dayton had had no budget procedure in the modern sense of the word. Money had been appropriated by council without a very exact relationship to the estimated income. As a matter of fact, the council had never had sufficient data to appropriate intelligently or to the best advantage. Operating deficits might have been somewhat condoned if there had been something to show for the money in the way of improvement of services, but with no evidence of either of these the annual deficits of $60,000 did seem ironical.

In 1914, with practically the same resources but with careful budgeting and with appropriations based on careful departmental estimates, scrutinized item by item by the manager, services dropped in previous years were resumed, others never before rendered were added, and $30,000 of a floating debt of $125,000 was paid off in the first year.

Following is a report showing what the new administration did in its first six months and what has been continued on an increasing scale since that time. Attention is called particularly to the creation of a real health department with a full-time health officer for the first time in the history of Dayton, with public health nurses and five city physicians who took care of the indigent sick—all of which resulted in a reduction of the infant death rate from 124.6, 114.3 and 123. per thousand in 1911, 1912 and 1913, respectively, to 95.8 in 1914. It is true that infant mortality was being reduced in many cities before 1914 but that had not been true in Dayton. Attention is also called to the new service given through a free legal aid bureau which has done excellent work since that day, to the operation by the city of a number of playgrounds which until 1914 had been provided entirely by a private social agency, to the establishment of a municipal lodging house, to the resumption of rubbish collection, and to the inauguration of a central purchasing department which saved thousands of dollars during the first year and in subsequent years through modern intelligent methods in purchasing. In short, Dayton's government was humanized—imagination, intelligence and resourcefulness were being applied to the administration of its affairs.

Partial Report for First Six Months of 1914

Staff Conferences. Regular conferences with the heads of departments were held, where all important matters were considered and departmental cooperation was developed, and the programs and activities of each department were discussed and planned.

Expenditures Limited by Income. In planning the expenditures of the year, appropriations were limited to estimate revenues, and expenditures were kept within the cash receipts. The old deficit of $125,000 was reduced rather than added to. The issuance of bonds to meet current expenses was not resorted to.

An Eight-Hour Day. Payrolls were not now passed unless a time sheet had been kept showing the number of hours that each employee worked. In this connection the number of hours was reduced from ten to eight, at the same pay, and office employees were required to work a full eight hours.

Building Code. Arrangement was made for the drafting of an entire building code for the city without cost to the city.

Civic Music. Amateur and professional musicians were interested in providing high-grade music at more popular prices. A high-class symphony program was arranged for the coming winter, and half of the seating capacity was sold in season tickets. (Still going in 1930.)

Garbage Removal. Plans were prepared for a disposal plant and equipment necessary to care for all garbage and other refuse of the city for twenty years.

Parole of Workhouse Prisoners. In many worthy cases workhouse prisoners were paroled and placed in probation, and work secured for them.

Expediting Public Work. By borrowing on the credit of uncollected assessments contractors were paid promptly, and work rushed with a resulting lower cost. Formerly contractors were paid only as assessments were actually collected.

Permits Simplified. All permits were issued from one office, on a uniform form, and the amount collected recorded on a cash register. At the same time the machine stamped the permit as legal, and indicated the amount paid.

Sewers. Both the storm and sanitary sewer systems were inadequate for the needs of the city and funds were voted to design a complete sewer system; all sewers laid in the future were to be in accordance with this plan. A complete topographical study of the city was planned to provide for future development and for a sewage disposal plant to be ready when such was ordered by the state board of health.

$12,000 Saved on Valley Street Bridge.

Permission was secured from the state board of public works to fill and pave Valley Street across the Miami River and the Erie Canal instead of building a lift bridge, for which money had been appropriated. Twelve thousand dollars was turned back into the sinking fund.

Refuse Collection. The collection of rubbish and ashes which had been discontinued was resumed. The streets and alleys of the city were cleaned up and the wagons were routed so that monthly service was rendered to all sections of the city alike.

Garbage Collection. It was arranged to give the householders regular garbage collection service weekly. In order that adequate service might be supplied with the funds available, it was asked that only garbage be put in the cans, and that the cans be placed within easy access for the collectors.

Street Repairs. Street repairs except for a balance of $12,000 remaining from bonds issued before 1914, were made from current revenues. Where asphalt streets were in bad condition they were repaired with tar macadam at a reduced cost.

Additional Water Supply. A temporary supply of about 7,000,000 gallons of water per day was made available at Tate's Hill. This provided for the increased demand which frequently exceeded 16,000,000 gallons per day. During fires the consumption had exceeded the rate of 30,000,000 gallons per day. Work on the permanent additional supply from Tate's Hill was actively pushed and was completed in the fall.

Plans for Water Improvements. A firm of consulting engineers made an investigation of the entire water situation, including supply, pumping and distribution.

Municipal Garage. All motor repairs and adjustments were made at the municipal garage at a saving of several thousand dollars a year. The garage also acted as a clearing house, securing greater service from the motor equipment of the city. All city cars were numbered and labeled. This facilitated the keeping of cost records of the operation and repair of each car, and prevented "joy riding" after hours.

Full-Time Health Officer. A health officer on full time, the first in the history of the city, was provided. The force of full-time food and dairy inspectors was increased, the work rearranged to secure larger services from each employee.

Reorganization of Health Work. The entire division of health was reorganized and complete up-to-the-minute records were installed, thus insuring systematic work, increased efficiency, and adequate control of health problems. The work of the sanitary police was doubled, and the force reduced.

Public Health Nursing. With the coöperation and help of the Visiting Nurses' Association and the Anti-Tuberculosis Society, all public health nursing was brought under one management and control.

A Lower Infant Death Rate. The death rate for infants in June, 1914, was only one-half that of any June for three years previous. This low death rate was secured by controlling threatened epidemics of smallpox and diphtheria; by an anti-fly campaign conducted through every public and parochial school; and by the inauguration of baby welfare work. Three weekly baby clinics and four certified milk stations were established as well as a system of post-natal visits to mothers.

Community Gardens. In coöperation with the Dayton Playgrounds and Garden Association six community gardens were plowed and prepared, on which about seventy-five families cultivated vegetables; twenty-two experimental gardens were prepared for the cultivation of vegetables by hundreds of children under the direction of an expert gardener; three hundred and thirty-nine vacant lot gardens on which as many families raised vegetables were plowed; and a dozen additional playgrounds for children were cleaned up and leveled.

Number of Playgrounds Doubled. Playgrounds were opened in every section of the city, with daily supervision by trained play-supervisors, all under the direction of the superintendent of recreation. Twenty-eight playgrounds were provided as against fourteen or fifteen last year, the largest number ever reached before in Dayton.

Municipal Lodging House Established. A municipal lodging house was temporarily established through the courtesy of the Burkhardt Packing Company, which gave free use of a building on Market Street. The superintendent of corrections managed this new feature of relief work, taking care of 1,852 lodgers. Each lodger was required to give a half-day's labor, removing snow, leveling dumps, etc., for his day's lodging.

Free Legal Advice. A division of legal aid was established in the department of welfare, the second of its kind under city control in this country. It has been unusually effective in protecting the weak, and in the first four months of operation handled more than three hundred applications, most of which were claims for wages, installment difficulties, and loan shark extortions. Over two-thirds of these were disposed of without legal action. Any person capable of paying was referred to private counsel. The maintenance of the division cost less than $625 for the year.

City Infirmary Abolished. The city infirmary was abolished and all outdoor relief put under the administration of the Associated Charities, thus unifying the work, increasing its efficiency and avoiding duplication of service. This field was covered at less than one-half the cost formerly incurred by the city infirmary.

Women Police Officers. Two women police officers were engaged to care for girls and women requiring correctional measures or in need of personal and sympathetic advice.

Fire Prevention. An inspection was made of every building in the city to acquaint at least one fireman in each district with all interior construction. In addition, fire hazards were abated, and where orders for the removal of material or for changes in building conditions were given, re-inspection was made.

The above is admittedly a good record and naturally is more spectacular than that of later years. There were so many opportunities for making improvements that the contrast with the old was much sharper. But the real significance of these accomplishments lies in the fact that the financial resources of the government in 1914 were practically no greater than those of 1913. Admitting the very important part played by the personnel of the administration and its great urge to satisfy an acutely conscious "show me" public, the credit due the form of government must not be minimized. For the centralization of responsibility and administration it provided, first in the council and secondly in the manager, the recognition that the executive should spend his time in administering the affairs of the city and not in being a vote-getter or party leader, furnished a tool by which competent personnel could achieve results more easily and certainly more expeditiously.

Since 1914

Space does not permit a detailed recital of Dayton's achievements within the last sixteen years. C. E. Rightor's book *City Manager in Dayton* gives an excellent, impartial and thorough account of Dayton's government for the first four years of the council-manager administration and shows that there was no diminution in the splendid beginning made in the first few months after the new organization took hold. In fact, the reverse was true. As the machinery became welded together and the new organization found itself, services were improved and expanded.

A study of these first four years will also show unusual activity in taking the government to the people and in promoting the active coöperation of the public. Not a week went by but the manager was invited to talk to some organization. In 1915 Mr. Waite averaged three talks a week. And in every one of his talks he added friends to the administration and even converted those who were sceptical or definitely antagonistic. The city government stimulated the organization of the Civic Music League, which, started in 1914, is still in existence and gives annually a series of six concerts by the foremost artists of the country for prices as low as $3.50 for the series. The organization of an amateur baseball league begun then, is still in existence and stronger than ever. The tie-up of the nursing staff of the health department with the staff of the Visiting Nurses' Association under one supervisor, all under the head of the commissioner of health, was brought about in 1914. Coöperation with the Dayton Playground and Garden Association and the provision for expending the funds for outdoor relief through the Associated Charities, a privately maintained organization, were all inaugurated during this time and are still continuing with great benefit to the city.

The newspapers were kept in close touch with the administration. Mr. Waite permitted the newspaper reporters to read his correspondence so that they might know what was happening, a practice that has been continued. It cannot be too strongly emphasized that Dayton was most fortunate in stepping off with the right foot in beginning a new form of government. Precedents set during the first few years have left effects felt ever since. And the success of the government up to the present must be attributed in large measure to the impression this wise post-natal care made upon the people.

Close contact with Dayton's city government for fifteen years leads to the conclusion that the administration of Dayton's government is functioning as well now as it did in the very first days when practically the entire citizenship was watching it carefully and an articulate section of it was criticizing it noisily.

Attention is called to a few outstanding improvements, made during this period, which are worthy of special note:

1. *Water Works Extension and Improvement.* A whole report could be written on what has been done by the water department during the last sixteen years to furnish a more adequate water supply for the present and the future; a complete distribution system keeping pace with the growing community; a new pumping station, completely electrified; and the very businesslike methods of financing those improvements. The water works has met the full cost of capital outlays and expansion of its service from its income, with a water rate comparatively low.

2. *Sewage Disposal Plant.* Within

the last few months a complete modern sewage disposal plant costing three million dollars was put into operation. This is being paid for through a service charge to all property owners, billed quarterly in conjunction with the water bills.

3. *Elevation of Railroad Tracks.* Four years ago the people voted $8,000,000 for the city's share of a complete track elevation program, the total cost of which will be $24,000,000. This is finally being done after many years of discussion. It would have been done sooner but the people voted down an issue of bonds for $2,000,000 for this purpose some years ago.

4. *City Plan.* In 1923 a city plan board was appointed by the commission and since that time a complete city plan and a zoning ordinance have been adopted.

5. *Garbage Reduction.* Since 1914, after a careful study of this problem, the city has operated a garbage reduction plant which has paid for itself.

In every one of these projects the city government called in experts who made the necessary studies and surveys and whose recommendations were followed. This is in keeping with the method started in the year 1914 when the first manager, Mr. Waite, commenced the practice.

It may be stated, and justly so, that none of these improvements is a peculiar monopoly of commission-manager government. Because this is true, it is believed that what actually was accomplished in the way of improvements, in miles of better streets, adequate water supply, or in increased and even improved service is not of primary significance. Other cities operating under other forms of government may also show commendable records during this same period. But *how* Dayton did it, under what conditions and circumstances, with what resources at its command, the administration's attitude to its responsibility, the responsiveness to meet the situation—all of these are significant.

In connection with the construction of the sewage disposal plant, it was necessary to purchase considerable land which would not be used for the actual plant construction. This was done in order to prevent suits for damages from adjoining property-owners, which is of course usual in such developments. This land was all acquired at reasonable prices, and no suits were filed when the plant was actually constructed. Of 551 acres purchased for the work, about 200 acres have been turned into a park and golf course. Land which the owners claimed would be useless because of the sewage plant nuisance has been beautified with drives and shrubbery, drainage has been provided, and an eighteen-hole golf course is now in use. A clubhouse was built, largely with materials salvaged from the buildings on the properties acquired, and five rustic camps are in use for picnic parties. All the development for the golf course and park has been done at a cost of less than $75,000 including the clubhouse. Labor from the city workfarm has been used in part of the work, thus reducing the cost of some items. Part of the land purchased is located across the river from the disposal plant. A fifty-five-acre tract provides a splendid summer camp for colored boys and girls, and this land is being gradually developed into a rural recreation spot for Negroes, with buildings, tennis courts and swimming pool, and eventually a golf course.

Developments such as these are of course possible in any city, but here was land so located as to make it a matter of economy for the city to purchase it as part of the sewage disposal plant development. Instead of letting it lie idle it has been beautified and made to fill a much desired part of the recreation program, all at a very moderate cost.

Probably one of the most definite accomplishments in recent years has been the success of the city administration in securing an adequate return on daily bank balances. A going concern needs working capital, and the Ohio laws require that the money be on hand before any obligation may be incurred. This forces the city to carry large balances in construction accounts, and the method of tax collection and distribution by the county, acting for the state, also makes for large operating funds at certain periods. These large balances earned only the usual 2 per cent or 2½ per cent when deposited in local banks as required by state law. The city officials wanted to make this money earn a fair return. In 1926 they secured the interest of officials in Cleveland, and the two cities were able to have the state legislature enact a law permitting the city to invest in its own notes and bonds for a short period of time, reselling when the money was actually needed to pay bills. This principle had been employed in the past in investing sinking funds, but never for the operating and construction balances. The results have more than justified their efforts and faith. In 1928 the finance department of Dayton cost about $22,000 to operate, and the revenue from the investment account was approximately $55,000 more than would have been received in interest under the former procedure. Here is tangible accomplishment. Vision to see the need and secure the necessary legislation plus administrative ability to make the balances earn every cent possible by keeping every dollar invested until the time it is needed to meet bills—this is what the citizens of Dayton have come to expect of their officials.

It is significant that Dayton has had no upheaval in its government for sixteen years, that during this time through careful financing it has lived within its income, has even had annual cash balances in spite of funds limited by restrictive state laws and by a county budget commission which fixes the tax rate and controls the distribution of taxes. It is also significant that to do the job as efficiently and as economically as possible seems still to be the primary object of the administration, that the central purchasing department is as zealous of securing lowest prices today as it was sixteen years ago; that contracts are let to the *best* bidder; that the budget is explained in detail at an advertised public hearing to as many of the public as attend. True, only a handful attend, but it is explained nevertheless, and questions openly *answered.*

Dayton did not live within its income during the years 1918, 1919 and 1920, when the dollar shrank to half its value. But in 1918 she took the lead in calling a conference of Ohio cities on financial relief, and at that conference stood and fought for recommending to the legislature a pay-as-you-go policy, but the conference voted for the issuance of deficiency bonds, which the legislature adopted. Representatives of Dayton's government desired increased tax levies or revaluation of property to keep down the ultimate increased cash in financing these deficits. Along with other Ohio cities Dayton was obliged to take advantage of the special emergency permitted by the general assembly to issue deficiency bonds.

A practice which was adopted in 1914, is still applied, and is responsible for living within or below the income, is the periodic revision of the budget by the manager during the year. At the beginning of the year, receipts from the various sources are estimated and appropriations made accordingly. Three or four times a year the manager reviews the budget with each department and division head and adjusts it to the actual receipts. In some instances the situation permits a reduction in the original appropriation, in others increases may be required—but always the income is kept in mind. In May of this year, the manager reduced the budget of 1930 more than $57,000 because the actual income for the first quarter failed to come up to the amount estimated. Some of this may be restored before the year is over but until the administration is sure of the income no risks of deficits are being incurred or of being obliged to cut blindly later in the year.

Promises that the manager plan would eliminate the shifting of responsibility and that the simplicity of the plan would expedite service have been realized. Requests, complaints or appeals to the city manager or to the council, when such course is necessary, result in action or at least in a decisive answer. Weekly staff meetings with the manager, at which inter-departmental relationships and coöperation on specific measures are discussed, afford a means of short cuts to action.

THE COUNCIL

The city council meets every week, alternating between morning and evening meetings, the latter to give citizens who cannot leave their work an opportunity to appear before the commission with any grievances or complaints or petitions. From the very first meeting, citizens have availed themselves of this opportunity to lay their needs in person before the commission and these petitions, complaints or grievances are not only received respectfully but they are followed up to a conclusion.

In addition to these weekly public meetings, the council holds conference meetings. Whatever differences of opinion there may be among the members on the various matters are usually ironed out at these conferences, leaving the public meeting rather dull, unless a minority decides to become articulate in public or citizens enliven the session with the presentation of some controversial issue. The council of five has been able to transact the business of the city effectively but it has been rather rigid in its expression and has been too unanimous. A larger council of seven or even nine would permit of a greater difference of opinion which might be healthier in the long run, and might make it more difficult to overturn a satisfactory state of affairs. From the standpoint of the public good it is a question whether it might not be wiser to have a more frequent difference of opinion, even if business might at times be somewhat retarded.

THE COUNCIL AND THE MANAGER

Students of municipal government have been concerned about the relationship of the council to the manager and the relationship of both to the public. Is it a one-man government with the manager initiating and dominating policies, or is the council the head of the government? Do the people forget about the council and look to the manager as the government or do they look to the council? The full benefits of this type of government cannot be realized if the manager functions merely as a chief clerk, or, on the other hand, dominates the council and makes of it a one-man government. Neither extreme is satisfactory. The manager plan is designed to apply a combination of lay judgment in deciding policies and technical advice in their formulation and application. The council in the last analysis is responsible for what is done and how it is done and therefore must make the decisions on policy, but the manager's judgment and recommendations should be part of the process of arriving at decisions of policy.

Undoubtedly in Dayton during the first four years, the city manager was the outstanding figure in the government. This was so for two reasons: first because in the charter campaigns almost the entire stress was laid upon the "city manager"; secondly, it happened that the manager during this period was a strong personality and a natural leader. This does not mean that the manager dictated the policies; it merely means that he stood out more prominently before the public than did the council. Since that time it is believed a balance has been struck more in accord with the spirit as well as the letter of the charter with respect to the relationship of the manager to the council and of both to the public. By temperament the present manager is not a public leader but he is an able and efficient administrator. He carries out his duties as outlined by the charter, yet he is not merely a passive agent in his relations to the commission. Like any capable executive in any type of organization, he proposes needs and measures to the council and makes recommendations on things to be done. In arriving at its decisions of policy the council has the benefit of his knowledge, experience and judgment as an integral element in its deliberations.

Continuing Policy

Most notable among the contributions of the manager plan to the transaction of Dayton's public business has been a continuing administration of policies since its inauguration on January 1, 1914, full coöperation and coördination of effort among departments and an unusual spirit on the part of the whole administration of trying to give one hundred cents' worth of service for every dollar expended. This attitude born in 1914 is still alive today. Projects planned and policies adopted have been carried forward progressively from year to year, to final conclusions.

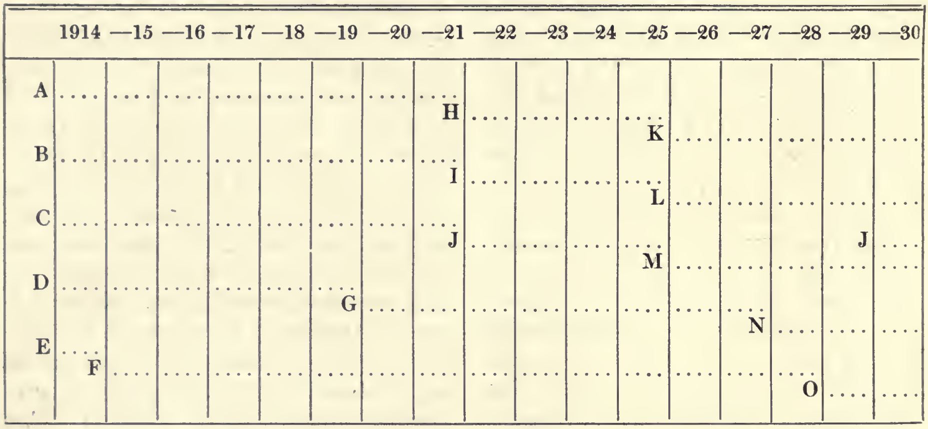
Why? Partly because of the overlapping terms of the city commission. The commissioners are elected for a four-year period. In order that their terms may overlap elections are held at two-year intervals. Two are chosen at one election and three at another. This hold-over of two or three commissioners leaves a nucleus for continuing policies and attitudes and has prevented making a too radical change thoughtlessly. For example, on January 1, 1918, the terms of two of the original commissioners expired and, although this election was not critical because the majority of the commission would still continue in office, nevertheless it was somewhat of a test to see whether the administration would go on as smoothly with even a slight change in the personnel of the commission. One of the original commissioners retired. The other was reëlected but with him was elected an organization man frankly supported by one of the political parties. Prognosticators predicted the injection of partisan politics, with resultant friction and some obstruction to administration. But this member, obviously an organization man who presumably would do the bidding of his political organization, became one of the most loyal supporters of the administration's policies and of the manager. He supported the plan of government not only in letter but in its spirit, and served as a most effective commissioner for three consecutive terms. He died after having served one year of his fourth term.

The accompanying chart shows graphically the overlapping periods of service of the fifteen commissioners who have held office under the present charter.

Continuing policy is a natural result of continuing tenure of office, and the chart indicates that ever since 1914 there have always been at least two of the commissioners with several years' experience and knowledge of affairs when the newly elected ones took office.

Chart Showing Overlapping Spans of Service of Dayton Councilmen

(Horizontal lines represent periods of service of individual councilmen, designated by letters.)



Another reason for continuing policy that grows out of this method of electing commissioners is the likelihood of retaining the administrative head through successive changes in the government. This differs widely from the mayor-council plan where the mayor, the administrative head, is elected for two or four years and brings in with him new ideas, good or bad, and usually a new set of department heads.

This is illustrated by what happened in 1924. At that time there were those in the community who thought it would be wise to have a new city manager. The reasons were not evident and to those who were intimately acquainted with the administration it seemed unwise because the manager had been doing a good job. An election for a majority of the commission was to be held that year; and two of the three candidates supported by the Citizens' Committee were more or less inclined to agree that a change in the managership should be made. The third candidate felt that if after he had taken office he found reasons for a change he would favor it; if not, he would not. The two members of the commission who held over did not favor a change. The result was that after the three newly elected commissioners had been in office a few months, at least two of them realized it would be a mistake to make a change and the manager is still in office.

ELECTIONS

As has been indicated, Dayton's ability to continue an unbroken policy in administration is tied up with her system of electing the city commissioners. Every four years when the majority of the commission is to be elected the situation is critical because if three men are elected who are hostile to the current type of administration the city administration will revert to the conditions of the "good old days." The first such election occurred in November, 1917. It was a real test. In the primary election there were no outstanding candidates—three were put up by the Socialist party, three by the Democratic party, and three by the Citizens' Committee representing those who favored the existing administration. This does not mean that the names are placed on the ballot with party designations. The ballot is nonpartisan; names are printed alphabetically and in rotation, but the public knows who is supporting the candidates. The issue of this primary election was the city government, its form and its results. Six men were to be nominated. The vote was as follows:

Socialist candidates..........	29,162
Citizens' Committee candidates	20,545
Democratic candidates.......	10,164

The following extract from C. E. Rightor's *City Manager in Dayton*, tells what happened following the surprising results of this primary election:

> The large vote secured by the Socialists frightened the leaders of the Citizens' Committee, and the outcome of the November election on the issues of the success of the government appeared doubtful. The Socialists had polled about three times their normal vote and were confident of winning in the November election.
>
> Now for the unexpected. It happened that after the August election one of the local Socialist leaders wrote an article in the New York *Call*, the Socialist newspaper, in which he stated that the Socialists' success in Dayton was due to their anti-war attitude. This article was taken by the Citizens' Committee as its basis for the final campaign. The issue was made solely one of Americanism. The final result was a decisive victory for all three of the Citizens' Committee candidates, insuring the continuance of the present plan for another four years. The vote was as follows:
>
> | | |
> |---|---|
> | Nonpartisan candidates...... | 50,383 |
> | Socialist candidates.......... | 37,821 |
>
> There was a total of 29,400 votes cast, of which the Socialists received 43 per cent.

While the campaign for the November election was conducted along old-line methods, using the Democrat and almost defunct Republican organizations to defeat the Socialists, the administrative end of the government kept out of politics; no jobs were promised and no city employees took part in any way in the campaign.

Since that year the Democratic organization has not put any ticket in the field. However, a new policy was adopted to safeguard the integrity of the city government. At every election the Citizens' Committee is revived. True, it is not so vital nor so strong as it was in 1913 or in 1917, but a sufficient number of leading citizens have continued a deep interest so that the capture of the administration by a political party for selfish purposes has been prevented. This Citizens' Committee, composed of men voting the Democratic and Republican tickets, supports candidates agreed upon with the local party leaders; with the understanding, however, that no raids will be made upon the government and that efficiency, economy, and the interest of the public must be served. It is a practical arrangement and up to this time has worked satisfactorily. The present council consists of two Republicans, one of them an organization man; two Democrats, both of them organization men; and one councilman who might be termed an independent Democrat. During all these years the Republican organization, which is probably dominant now in both the city and the county, has not aimed at the control of the city government. The political battle ground of the two parties is the county.

It can be said truly that partisan politics has not entered into the administration of the city government but the existence of the political parties in so far as selection of the council is concerned has been recognized. The situation in Dayton must probably be characterized as a compromise with the political parties, yet it is not exactly a compromise. It means practically that the coöperation of the political leaders is enlisted to secure as capable men as possible for the city council who will support a continuance of the satisfactory conditions. Perhaps the ideal situation would be to have the Citizens' Committee as strong as it was sixteen years ago, but unfortunately it seems difficult to maintain a strong organization year in and year out, in which the only benefits accruing to the membership are efficient and economical city government. It is possible to do so, as Dayton did, for a limited, inspired reform period, but as a permanent device the best that can be hoped for is the help of the sustained interest of a small group. Dayton has been fortunate in having such a group of leading citizens.

Is Politics an Important Factor?

When one of the members of the commission died after serving only one year of his third term, the peculiar political complexion of the commission was revealed. Of the four remaining members, one was an independent, one was the sole representative of one of the party organizations, and the other two were organization men representing the same party as the deceased. While the member who had died was an organization man, he was a staunch supporter of the charter and of the manager. His two political brethren were interested in having another of their own party appointed to the vacancy. The principle of this desire was approved by the other two members, and in general by the public, i.e., the appointee should be of the same party as the deceased. However, the principle was also approved by the public and the other two commissioners that the appointee should be as independent as his predecessor, and should be appointed on that basis—independent in thought and action and not dominated by the party machine. This division of opinion in the commission caused a deadlock. Candidates were suggested and not approved; either the proposed man was too political or not political enough. Discussions were conducted over a period of several weeks, with no decision. Finally the independent commissioner brought the entire matter into public view by a statement to the newspapers. Public opinion soon finished the task, and the vacancy was filled by appointing a man who was nominally of the same party as the former commissioner, but was also an independent in thought and action, and has proved to be a valuable addition to the commission.

This is related in some detail to show that the political situation is still one to be reckoned with, and that an organized minority can still have considerable influence upon the action of the majority. Dayton can offer no panacea for political ills. Constant vigilance is necessary, and the early success in electing candidates of the Citizens' Committee with independent backing indicates that the surest preventive for political domination is a live organization of this type, seeking no jobs or favors for its workers.

Personnel

Although the personnel of the commission has changed a number of times since January 1, 1914, there has been no upheaval in the administrative departments. Dayton has had four city managers:

Henry M. Waite, January 1, 1914 to March 1, 1918

James E. Barlow, March 1, 1918 to January 1, 1921
William C. Barber, February 1, 1921 to August 1, 1921
F. O. Eichelberger, August 1, 1921–.

Mr. Barlow, director of the department of public service, was made manager at the salary of $7,500 and resigned after a term of three years following a disagreement with the city commission. The latter then decided to look about the country for a manager and selected Mr. Barber—who had been mayor of Joliet, Illinois—at a salary of $12,500. He remained six months during a difficult period in which a street-car strike figured, and then resigned. The present city manager started in the employ of the City of Dayton as a rodman more than twenty years ago, later became city engineer, then director of public service. He receives $9,600 a year. Neither in the selection nor in the resignation of the managers has strife or partisan organization policies been present; nor has there been any interruption of the steady progress of the administration of affairs. It has been the practice to fill vacancies by promotion. All the present department heads, with the exception of the director of the department of public safety, were promoted from subordinate positions in the city service.

Form Not a Guarantee of Good Government

The city manager plan does not automatically give good government, but it does furnish the machinery for giving better service more easily if the spirit, as well as the letter, of the form of organization is carried out. By carrying out the spirit of the city manager plan is meant:

Formulation of policies by a nonpartisan commission on a nonpartisan basis.

Selection for ability, only, of a chief administrator; and the delegation to him of all administrative functions.

Administration of the city departments by the manager without any interference by the council.

Attention is called, particularly, to the last point because its abuse seems so harmless, although, as a matter of fact, it can disrupt the whole city organization. The council should allow the manager a free hand in selecting his department and division heads and in carrying out the details of administration. The council should supervise the manager, and if it finds that the latter's organization and methods are not productive of the desired results, it should take appropriate action. Adherence to this policy is for the best interests of the city.

There have been and probably there still are some in Dayton who object to the manager plan; whether because of the plan itself or because of specific grievances it is difficult to determine. The last time such opposition had an opportunity to express itself was in November, 1922, when an initiated petition to amend the charter to provide for partisan election of a mayor and of a council selected by wards was presented to the people. This amendment was defeated but it received 17,000 votes. The vote upholding the manager plan was 26,000. It is especially interesting to note that the Socialists supported the manager plan in this fight.

All that can be concluded from the result of this election is that it gave every malcontent, dissatisfied for whatever reason, a chance to register his grievance. That the dyed-in-the-wool adherents of the partisan organization voted for the amendment goes without saying, and there is still a goodly number of these extant.

It is wholesome for a government to be questioned and tested occasionally as was Dayton's in 1922, but unfortunately good government may not always win. If there is one major criticism that may be directed against the city government in Dayton today it is the failure to impress continuously upon the people how well its city administration is functioning. So quietly and efficiently does it work that the city hall lacks "news value"; it is dull, furnishing no excitement, no headlines. It is like having a well functioning body of which we are unconscious until we have an ache or pain.

What about the Tax Rate?

The tax rate is usually accepted as the measure of efficiency in government, at least in the minds of the general public. But the Ohio tax laws prohibit any real progress in this respect, forcing all the large Ohio cities to live on a very limited income. There is no question of economy in Dayton, it is one of efficiency. The total to be expended is limited. But the answer to the question, "What do we get for our tax dollar?" would furnish the information desired.

Working side by side in Dayton is the government of the county which offers a very definite comparison. Here is the old political organization, with many elected officials, no centralized responsibility, careless budget procedure, etc. In 1914 the tax rate in Dayton was $14.40 on each $1,000 valuation. This includes all local taxes—city, county and schools. Of this $14.40 the city received $7.25 and the county received $2.02. In 1930 the tax rate is $25.40, of which the city receives $7.97. The county receives $3.81. During the fifteen years Dayton has had efficient, nonpartisan administration the city portion of the tax rate has increased 10 per cent while the county's portion has increased over 88 per cent. And the city is giving more and better service every year, spending efficiently the inadequate income permitted it by state laws.

Efficient Citizenship Guarantee of Good Government

These sixteen years of the council-manager plan in Dayton have brought the city good government. Due credit must be given the charter for providing machinery that promoted rather than hindered the rendering of service. Credit must also be given the capable and conscientious public employees who have used the machinery to its greatest capacity for giving good public service. But the impelling force back of the machinery and personnel to which the greatest credit is due has been the alert interest of the citizen body—a minority, it is true. It is this interest that has been responsible for the continued maintenance of able and public-spirited officials and so far has kept out "political" methods from the operation of the city's affairs.

More has been expected of this type of government than of the old form, and more has been given the people. A quality of service that was unhoped for under the old régime and that would have been received with gratitude has been taken as a matter of course under the city manager administration. And on its part, the administration has been sensitive to this interest of the public and has caused it to be responsive to the public's demands.

It is time that people should accept good government as a matter of course, that they should regard it as the normal basis from which further advances shall be made, instead of feeling unusually grateful when an occasional administration reaches the plane of good service.

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THE LEAGUE'S BUSINESS

AUDITOR'S REPORT

NATIONAL MUNICIPAL LEAGUE

Balance Sheet, March 31, 1930

ASSETS

Cash:			
In Bank:			
Treasurer's account		$ 620.36	
Secretary's account		160.32	
		$ 780.68	
Less: Uninvested cash—Portland Prize Fund	$ 13.30		
Unexpended cash—Russell Sage Foundation Fund	308.36	321.66	
		$ 459.02	
On hand		6.73	
			$ 465.75
Account receivable			5.04
Furniture and fixtures		$ 2,393.56	
Less: Reserve for depreciation		662.81	
			1,730.75
Russell Sage Foundation Fund—cash balance			308.36
Portland Prize Fund:			
Investments: (at cost)			
$100 City of Lyons 6% bonds due November 1, 1934		$ 99.20	
$500 Continental Oil Company 5¼% debentures due November 1, 1937		487.50	
Uninvested cash		13.30	
			600.00
Accrued interest on bonds—Portland Prize Fund			13.44
Total assets			$ 3,123.34

LIABILITIES AND DEFICIT

Accounts payable	$ 7,631.57
Russell Sage Foundation Fund	308.36
Portland Prize Fund	600.00
Total liabilities	$ 8,539.93
Deficit, March 31, 1930	5,416.59
Total liabilities, less deficit	$ 3,123.34

STATEMENT OF INCOME AND EXPENSE

For the Year Ended March 31, 1930

Income:			
Contributions			$28,645.00
Dues:			
Annual		$ 6,019.51	
Sustaining		3,731.50	
Contributing		449.50	
			10,200.51
Subscriptions to the Review			2,493.66
Sale of publications			3,391.65
Advertising			261.00
Miscellaneous			334.61
Total income			$45,326.43
Expense:			
Salaries:			
Administrative	$14,633.21		
General	10,837.50	$25,470.71	
Printing Review		6,815.89	
Printing Review supplement		192.10	
Printing books and pamphlets		1,226.04	
Miscellaneous printing		664.00	
Mimeographing		2,221.98	
Binders		93.11	
Postage and express, rent, telephone and telegraph		8,481.71	
Stationery and office supplies		1,115.42	
Books and subscriptions		655.14	
Clippings		854.18	
Auditing		233.00	
Traveling		357.11	
Depreciation, office furniture and fixtures		202.16	
Maintenance of office equipment		75.17	
Convention		264.26	
Committees		181.34	
Stencils		78.62	
Royalties		17.75	
Baldwin Prize		100.00	
Portland Prize		25.00	
Sundry		322.23	
Total expense			$ 49,646.92
Net loss for year ended March 31, 1930			$ 4,320.49

1 Cedar Street, New York City, May 6, 1930.

Searle, Miller and Company.

NATIONAL MUNICIPAL REVIEW

VOL. XIX, NO. 8 AUGUST, 1930 TOTAL NO. 170

EDITORIAL COMMENT

Cleveland, November 10–12

The National Municipal League will hold its thirty-sixth Annual Meeting in Cleveland on Monday, Tuesday, and Wednesday, November 10, 11, and 12. The Governmental Research Association, the National Association of Civic Secretaries, the Proportional Representation League, the American Legislators' Association, the Ohio Conference on City Planning, and the Ohio Municipal League will meet at the same time and place. These associations will continue the custom of last year of combining their convention resources under the common title of the National Conference on Improving Government.

The American Legislators' Association is a recruit to the group of civic and research organizations which have been meeting jointly in annual convention for several years. This association, under the direction of Henry W. Toll, is rapidly developing as an agency of national influence in the neglected field of state legislatures, and now publishes the attractive monthly magazine, *State Government*. We welcome their membership in the National Conference on Improving Government, and shall value the contribution they will make to our convention.

For many years Cleveland has been one of the nation's rich laboratories in municipal government. Her experience contains much to inspire civic effort elsewhere. If she has made mistakes they stand as helpful guides to other cities. She has pioneered in many fields, and it is appropriate that the League should convene there in the first year of the administration of her second city manager. In no city are local conditions more favorable to a profitable meeting.

*

New York's New Planning Department

New York, the first city to adopt comprehensive zoning, has never had a city plan or even a city planning commission. Now the omission is to be remedied in part. By virtue of a local law which passed the board of estimate and apportionment against the votes of all the borough presidents but one, and the board of aldermen with only one dissenting vote in a membership of 65, the city will enjoy the services of a one-man planning department. The job will pay $17,500 a year and will be filled by Major J. F. Sullivan, an intimate friend of the mayor.

The department will have only advisory powers, but it will be charged with the preparation of a city plan for the guidance of the board of estimate.

It is thus apparent that the new department falls short of accepted practice with respect to the proper functions and powers of a city planning board. But the pressure to establish a board of the conventional type was unavailing and the City Club has endorsed the measure as "a step in the right direction." Its success will depend upon the qualifications of the head of the department and the fidelity with which the city government adheres without fear or favor to a reasonable plan.

⁂

Tax Reform in Tennessee

Tennessee has begun a concerted movement for state and local tax reform. A State Tax Committee has been organized. With the aid of specialists from the University of Wisconsin and the University of Tennessee, studies in the costs of state and local government and in the incidence of taxation have been commenced. It is the purpose of the committee to propose a revised system of taxation to the 1931 legislature. George Fort Milton of Chattanooga is chairman of the committee, and Professor Frank W. Prescott of the University of Chattanooga is executive secretary.

⁂

Chicago Traction Settlement

As related by Edward M. Martin in the Notes and Events department of this issue, less than one-third of the registered voters of Chicago turned out on July 1 to approve the traction ordinance by a vote of nearly six to one. The ordinance provides for the consolidation of the surface and elevated lines under a terminable agreement by which the city at some future date may purchase the system for $260,000,000 plus the cost of extensions and betterments made hereafter. Rates are to remain as at present, until changed by the local transit commission, created by the ordinance with control over the unified system in the area within thirty miles of the city's boundaries.

The city pledges itself to construct two subways in the central business district, to be paid for by the accumulated traction fund of $60,000,000 plus special assessments. A return of three per cent of gross receipts, junior to interest on bonds, sinking fund requirements and preferred stock dividends, is to be paid the city as compensation for the use of public property.

If it accepts the ordinance the company, on its part, is pledged to make improvements aggregating $200,000,000 within ten years.

It remains for the future to determine whether the city has made a good bargain. Worn out by years of controversy and impatient with the long delay in providing a transportation system equal to Chicago's needs and growth, all business interests aligned themselves behind the ordinance. Those opposing it alleged that the purchase price of $260,000,000 contained $60,000,000 of water. It was pointed out that the "terminable" feature of the ordinance was in fact perpetual since the cost of purchase by the city will exceed its legal borrowing power. It was also charged that numerous safeguards, necessary to protect the public's interest in future regulation by the transit commission, are lacking. For example, the city appears to be in a weak position with respect to guarantees that the promised extensions will be made.

Although Chicago transit has fallen into a chaotic state which undoubtedly weakened the bargaining power of the city, the company appears to have driven an unnecessarily favorable bargain. The present writer is not worried over the probable presence of considerable water in the agreed valuation if the result is adequate transportation for the metropolitan district. The question of adequate service under proper regulation of future valuations and rates is more important than a dispute over even 25 per cent of water in an agreed rate base. Too often have valuation controversies obscured the fundamental question of service, and Chicago can well forget the water if indispensable extensions of track and improvements of service are to result from the ordinance. But if her voters have failed to retain for the city adequate control over the future, their negligence will some day cost the people dearly. Sooner or later the city will find itself confronted by another traction muddle more irritating and expensive than this one. Herein lies the danger of the arrangement which has just been approved.

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Plans for a Federated St. Louis

In 1926 the attempt to solve the problem of a metropolitan government for the St. Louis region by consolidating adjacent St. Louis County with the city failed because of the overwhelming antagonism of the county. Now another plan is being prepared. Under the experienced advice of Thomas H. Reed, the City and County Metropolitan Development Committee has drafted an amendment to the state constitution. At this writing a petition to place it on the ballot at the November election has been filed. If the amendment prevails a charter will be submitted next year for the approval of the voters of the city and the county, providing for a federated government under a new municipal corporation to be known as the "City of Greater St. Louis."

The proposed amendment guarantees the independent existence of all the municipal units within the Greater City to be, until such a time as the voters of any two of such units decide, by a three-fifths vote of each, to consolidate. The unincorporated area of the county will become organized into one or more municipal corporations to be known as county districts. Such county districts (probably only one will be set up) will be administered by a simple form of government to be set forth in the charter. District expenses will be met by grants from the Greater City's treasury. Any taxation in addition must be approved by the voters of the district.

With respect to the authority of the Greater City, the amendment authorizes the home rule charter to specify that the regional government can exercise any designated power now possessed by St. Louis City, St. Louis County, or any municipal corporation or district within the Greater City. The establishment of a metropolitan police force is specifically authorized for policing highways and county districts. Special public works districts may be provided for by charter.

Looking ahead somewhat, the City and County Metropolitan Development Committee has suggested certain features which it will seek to incorporate in the charter to be drafted for the federated area if the voters of the state approve the amendment. The governing body of the Greater City will be a council of eleven members, ten elected by districts, four of which shall be in the county. The presiding officer of the council will be elected at large. The council is to have power to make health and traffic regulations for the whole region and to grant franchises, to police highways and rural sections, and to provide a unified water service for the region. In addition, the Greater City's government will have charge of planning, sewers, through highways, parks, recreation, and hospital and public welfare agencies and institutions.

To the existing cities and villages,

which will continue under their own names, it is proposed to leave schools, local police, fire protection, zoning, local streets, street lighting and cleaning, garbage disposal, building regulations, etc.

Viewing as a unit the proposed constitutional amendment and the committee's suggestions for a subsequent charter, it appears that the new general government will be one of restricted powers. The government of the component units will be disturbed only to a minimum degree. Only the most obvious regional functions, including the traditional county welfare services, have been transferred to the central authority.

In spite of the length and detail of the proposed amendment to the Missouri constitution, several distinctive merits appear. One is the degree of freedom conferred upon the area with respect to the distribution of powers between the regional government and the parts. The charter to be adopted by the people may confer full municipal powers upon the Greater City. In this matter the draftsmen will doubtless be guided by what they believe the county voters will accept. Although the adoption of the first charter must be approved by a majority of the voters in St. Louis and in the county voting separately, amendments to it can be made by a simple majority vote of the Greater City, except that amendments regarding the powers of local units must be approved by a majority of units affected. Thus the way is left moderately open to growth and further centralization as future needs dictate. A second merit of the amendment has just been referred to. For the inauguration of the regional federation only a simple majority vote in each of the two principal units (*i.e.*, the city of St. Louis and St. Louis County) is required. No extraordinary majorities such as marred the Pittsburgh scheme last year are necessary. Finally, within the terms of the amendment, the region will have full home rule powers as to form of government and apportionment of powers. No mediation by the state legislature is involved, as was the case in Pittsburgh to the embarrassment of those advocating progressive measures.

If the amendment prevails and if the charter which will follow is adopted (and it is to be hoped that both events will occur) the St. Louis region will have a government which it can mold to its needs. In time, simplicity will doubtless replace its initial complexity. The area will possess an instrument adequate to the task, one that will be watched with great interest as the first regional federation in actual operation in this country. If it succeeds it may be expected to set a fashion for years to come.

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Wherever there is excessive subdivision of land, resulting in sale of lots which cannot for some time be used for building purposes, it is obvious that there is taken out of the market for at least one generation persons or families who would otherwise be prospective buyers of legitimate property for actual use, declared Jacob L. Crane, Jr., of Chicago in an address last month to the National Association of Real Estate Boards at their annual convention in Toronto. Mr. Crane predicted legislation that would establish a rational basis for limiting the quantity of land subdivision in a reasonable relationship to the actual or prospective demand, and urged the drafting and support of such legislation.

HEADLINES

The city manager plan for San Francisco is on the fire. The citizens' committee on charter revision is working on the draft of an amendment which would patch up the present charter so as to enable the west coast city to operate under the manager form of government.

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Formation of a metropolitan district to include New Britain, Conn., and adjacent towns, is proposed by Mayor George A. Quigley, who says he will officially recommend this proposal to a charter revision committee in the fall.

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The "nineteen ward amendment" to the charter of Minneapolis lacks 5,500 of obtaining the necessary sixty per cent of the total vote at the recent election. The amendment would have re-drawn lines radically. A number of councilmen might have had to move!

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A medal for Roy P. Curtis of Newburgh, N. Y.! His bid on a street paving job having been rejected in favor of a lower out-of-town offer, he congratulates the council on its stand in behalf of fairness and square dealing.

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The apple cart is upset in Atlanta. The grand jury, after indicting almost thirty city officials in a graft investigation, raps county extravagance and urges the merit system for appointments.

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Independence Day means what it says to Mayor *pro tem* J. Allen Couch of Atlanta. He celebrated the Fourth by releasing nearly all the prisoners in the city jail. Now he and other officials are facing recall.

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City-county consolidation is being seriously considered by Durham, N. C., which has asked the county advisory commission and other state agencies to outline necessary legislation for this purpose.

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Former Governor Alfred E. Smith of New York is once more in the ranks of reformers. This time it's housing. He has just accepted the presidency of the newly formed Housing Association of the City of New York, the purpose of which is to rehabilitate blighted districts and to wipe out the old tenements.

* * *

Mayor Bryce B. Smith of Kansas City, who was elected on an economy platform, will be the city's head in fact as well as in name, Kansas City papers announce. Manager H. F. McElroy will have to take a back seat, in such event. May, 1930, expenditures exceeded those of a year ago by more than $130,000.

* * *

Despite the fact that the automotive industry in the state of Michigan has been struggling for breath, approximately $600,000 more revenue was obtained from the gasoline tax in April, 1930, than a year ago. The 1930 figure was $1,834,071. They may be the same old cars but they're traveling!

* * *

Charles B. Hall, Philadelphia G. O. P. machine leader, astonishes the Quaker City and reformers everywhere by saying that city management is the next step for Philadelphia—the only thing that will shut off complaints.

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Another needed reform. Comes William R. Hopkins, former city manager of Cleveland, sponsoring a clearing house for information to cut costs of funerals.

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A committee of four has been named by the Joint Transit Conference in Philadelphia to determine and recommend within thirty days a figure for purchase by the city of the Philadelphia Rapid Transit company system.

* * *

A crime prevention bureau is established as an adjunct of the Kansas City Chamber of Commerce and will be headed by Colonel Charles Edwards, former chief of police, at a salary of $7,500 per year.

* * *

"Oriental or any other alien nationality will be eligible for the position of Oakland's executive officer if the manager plan is adopted."—Charming example of propaganda used against plan in Oakland, Calif., campaign.

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Special cards, signed by the mayor and the city manager, are delivered by Cincinnati police to all residents of Covedale, recently annexed, to welcome them to the city.

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It is "*Mister* Charles Bowles" now. Detroit's mayor was officially and cleanly guillotined by the recall on July 22. In a total vote of 210,770, a majority of 30,956 favored removal of the mayor. Detroit is the largest city that has used the recall to remove its chief executive.

* * *

Politicians of the Motor City, known long for its good government under the strong mayor plan, may have poked a sleeping lion. The Detroit Citizens' League is now actively advocating the manager plan.

* * *

Confirmed subway riders may yet be able to live in Chicago. Samuel Insull is behind efforts to float a $25,000,000 bond issue to start operations of a new Consolidated Traction Company, which would take over all local transit companies and construct a subway in the Great Lakes metropolis.

Howard P. Jones.

SAN FRANCISCO COMPLETES BERNAL CUT

BY M. M. O'SHAUGHNESSY
City Engineer, San Francisco

The Bernal Cut is one of those ingenious highway projects which are making over our cities. :: :: :: :: :: :: :: ::

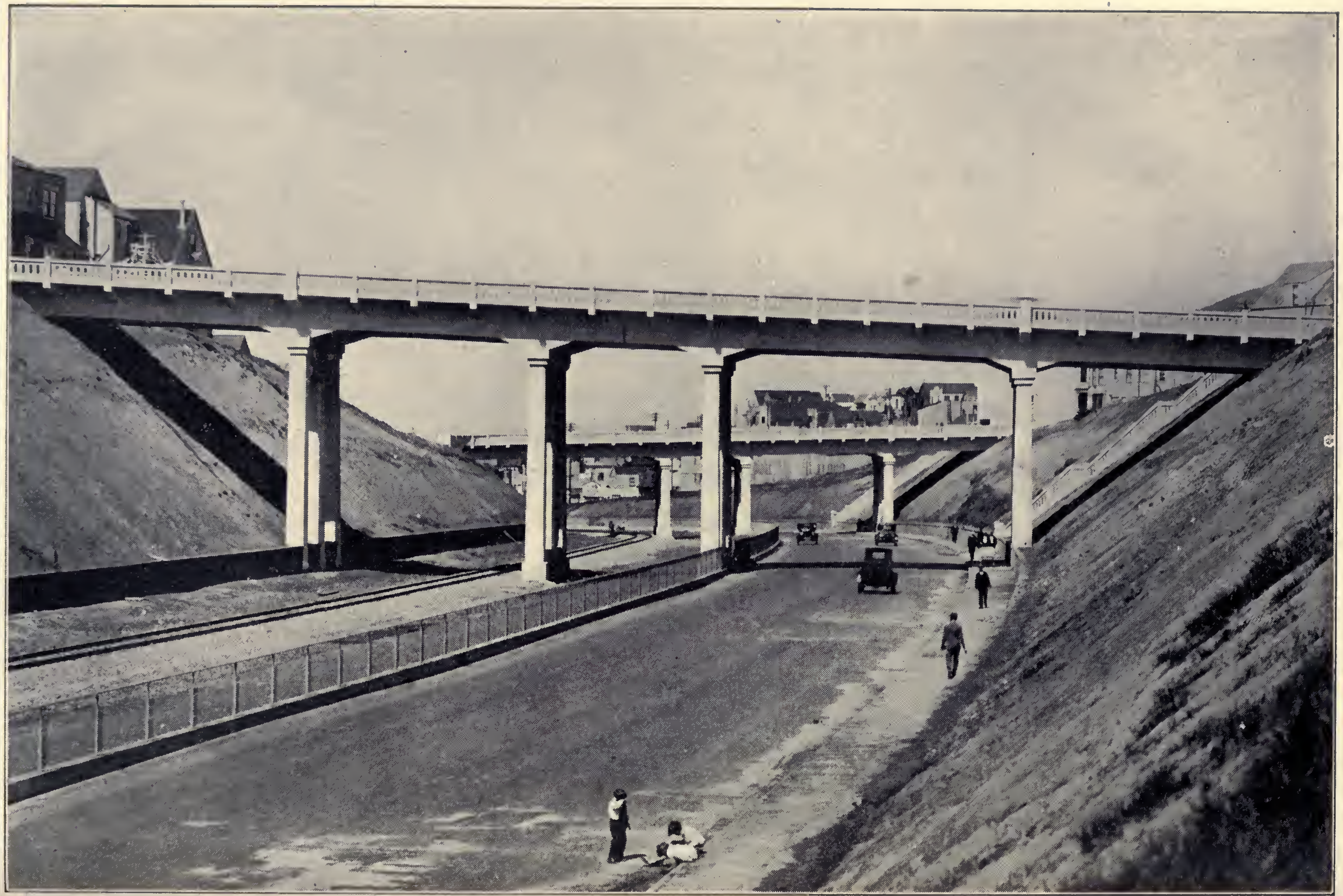
San Francisco, in an ambitious program of boulevard construction, has just completed a combined boulevard and railway grade known as "Bernal Cut." This was built to relieve congestion on Mission Street, one of the main outlets south from the city to the peninsula, and constitutes a feeder to one of the three main highways in that direction. The "cut" is an enlargement and extension of the single-track railway cut which served for some fifty years as the main line steam railway into the city. Although it had been projected for several years, its construction was made possible only by a bond issue for $1,400,000 authorized June 14, 1927, by a vote of: for, 52,623; against, 17,952.

The total length of the improvement is 4,262 ft. The bottom of cut is 117½ ft. wide and is divided as follows: An 8 ft. sidewalk, 42 ft. of vehicular roadway, 30 ft. 6½ in. right of way for a proposed double-track extension of the Municipal Street Railway, and 37 ft. for double-track steam or electric interurban railway. At bottoms of slopes, which are 1¼ to 1, there are rubble masonry walls 4 ft. high, of basalt blocks. Maximum depth of cut is 52 ft. The grading involved 245,000 cu. yds. of cut and 100,000 cu. yds. of fill.

Pavement of the vehicular roadway consists of 8 in. concrete base, 1½ in. asphaltic binder, and 1½ in. of asphaltic concrete wearing surface. The concrete mix of about one part of cement to 5.5 parts aggregate is giving test results of about 5,000 lbs. on 28-day test. On sections that are on fill and not thoroughly compacted, a temporary pavement is laid, consisting of 8 in. of waterbound macadam and a 2 in. emulsified asphalt wearing surface.

Three concrete bridges have been constructed, two of them carrying traffic over cut, while the third carried the new boulevard over the existing street. The first two bridges, 205 and 240 ft. long and 40 ft. wide, cost $36,282 and $38,470 respectively. The Bosworth Street bridge cost $181,828. Construction began in October, 1928, and was completed in April, 1930.

Property acquisition and damages cost $774,000. The total cost of the improvement approximates $1,344,000.



Bernal Avenue Showing Richland Avenue Bridge in Foreground and Highland Avenue Bridge in Background

ILLINOIS LEGISLATURE COMES TO AID OF CHICAGO

BY EDWARD M. MARTIN

The Illinois legislature in special session has passed a series of bills to relieve the financial distress of Chicago and Cook County. Efforts to improve the assessment machinery failed but will be renewed when the legislature meets next year. :: :: :: :: :: :: ::

With July 1 as the deadline when Chicago's emergency relief funds would be exhausted, the Illinois General Assembly on June 25, in special session since May 12, adopted the financial relief program prepared and sponsored by the Citizens' Committee of which Silas H. Strawn is chairman. Governor Emmerson signed nineteen of the measures and allowed those authorizing bond issues without referenda to become laws without his formal approval.

The Citizens' Committee prepared thirty-two bills; all but two of its measures were adopted. The imminence of financial chaos after July 1 was undoubtedly a large factor in securing action on the program as a whole. Proposals threatening political party prerogatives were either not included in the program or were promptly killed on the assembly floor. The Committee deemed it inexpedient to raise in the special session the issue of reorganization of the assessment machinery. Its bill empowering the state tax commission to take charge of assessments or reassessments being improperly done or made with undue delay died an early death. With the latter bill out, the entire program was endorsed by the legislative bodies of all the local governments concerned.

The measures adopted fall into four categories: (1) adjustments occasioned by the reassessment affecting the assessment and collection of taxes to enable the process to get back to normal without undue hardship on the taxpayers. Five years is the period contemplated for the normal schedule to be restored. (2) Validation of tax levies and appropriation ordinances of the local governments for the years 1928, 1929 and 1930. (3) Statute adjustments made necessary by the various amendments. (4) Legislation for the financial relief of the local governments. The financial provisions of the Committee's bills were the work of Harris S. Keeler, director of the Chicago Bureau of Public Efficiency, with the assistance of Douglas Sutherland, secretary of the Chicago Civic Federation, Simeon E. Leland of the University of Chicago and the legal advice of John Lyle Vette. The bills were examined and approved as to legality by Walter F. Dodd, W. R. Matheny, William H. Sexton and Robert N. Holt.

The relief legislation is of three general types: (1) Bond issues to pay off accumulated deficits. For this purpose a total of $23,200,000 short-term bonds are to be issued without referenda. (2) Bonds aggregating $43,500,000 will be issued, without referenda, to establish "working cash funds" for the city, county, and board of education. The moneys in these funds are not to be appropriated but are to be transferred to the corporate or general funds when needed for salaries and other corporate purposes. When taxes will be collected, the funds are to be reimbursed. Such transfers are limited to 90 per cent of the funds' estimated assets. Special taxes are levied for the funds. Year by year, it is explained, the funds will grow larger and accordingly will reduce the need for borrowing on tax anticipation warrants. Ultimately the funds will put these governments upon a cash basis. (3) Budget regulations are prescribed for the city, county and board of education.

REFORM OF ASSESSING MACHINERY POSTPONED

Although the Committee did not include the question of the reorganization of the assessing machinery, the issue was raised on the floor of the house by Michael L. Igoe of Chicago, Democratic and minority floor leader. His proposal for a single assessor with an ex officio board of review, in place of the present dual-headed boards of assessors and review, was voted down by a strict party vote. The issue will be raised in the regular session next January and the plan of revision will have the endorsement of the Citizens' Committee. The present boards are so entrenched that vigorous measures will be needed to blast loose their grip on interests political and commercial. A vigorous contest is thus foreshadowed and the forces which brought about the reassessment can be counted upon to wage a spectacular campaign to move the political leaders who now dominate the situation. This last step is absolutely essential to the permanent reform of the assessing function in Cook County.

It is interesting to note, in this connection, that the Illinois Supreme Court has just affirmed two decisions of lower courts invalidating the 1927 assessment and thus establishing the unquestioned legality and necessity of the reassessment. It has been popular to blame all Chicago's fiscal troubles on the reassessment. Actually, it is pointed out, the Supreme Court decisions just rendered would have made a reassessment inevitable.

TO VOTE ON INCOME TAX AMENDMENT

The general assembly also adopted a proposed amendment to the revenue article of the Illinois constitution. The amendment will go to referendum at the November election. It authorizes the adoption of a state income tax. To meet the objections of Cook County, since its representation in the assembly is still on the basis of the 1900 census, it provides that the state shall not receive more than 15 per cent of the proceeds of the tax, unless otherwise provided by a two-thirds vote of the assembly, the remainder to be distributed among the several counties (on the ratio of income taxes paid) to agencies within the counties as the assembly shall direct.

It also authorizes the general assembly to invest municipal corporations with the power to make local improvements by special assessment.

The acknowledged purpose of the amendment is to ease the way for the adoption of a state income tax and thereby relieve land from the burden of taxation of which it now bears a disproportionate part. The agricultural and real estate interests have long agitated for relief from taxes on realty, which in Illinois bears approximately 90 per cent of the total tax burden. In 1926 a revenue amendment received a majority of votes cast on the proposition, but failed of adoption because it did not receive a majority of all votes cast at the election, a constitutional requirement in Illinois.

A device calculated to overcome the failure of many voters to express a choice on such propositions when printed on a separate ballot was adopted in 1929 requiring that amendments to the state constitution be printed on the left-hand side of the main ballot.

MANAGER CITIES IN ACTION

VI. THE CONCLUSIONS OF AN OBSERVER

BY ERNEST S. BRADFORD
New Rochelle, New York

This article summarizes and concludes Dr. Bradford's series on the manager cities he has visited. :: :: :: :: :: ::

To those who have occasion to observe the various kinds of organization which Americans use to get things done, manager government for cities offers an interesting study. It is essentially similar to many other forms of organization. The business corporation, for example, operates under a form in which the stockholders choose a board of directors, which board in turn selects a president or manager, and some minor officials, after which the company executive usually selects most or all of his operating staff. The church organization, at least in many denominations, provides for the election of a board of trustees whose duty it is to care for the church's business affairs. The members of the fraternal order, the neighborhood or civic or art association, or the manufacturers' or trade association each similarly elect by vote a board of directors or trustees which picks a professional secretary or other paid full-time executive to carry on under its general supervision. In some of these groups the rank and file of the membership frequently votes also for certain officials, but whenever technical or expert knowledge is particularly needed, the appointment of the executive is likely to be left to the board of directors. Running a city government is a job for one whose qualifications are more and more recognized as technical, and whose selection can be better made by a small group than by the entire mass of voters.

Success in all these forms of organization lies in providing a close relationship between the mass of members on the one hand and their elected board-of-policy-determination on the other, and again between this board and the executive or executives whom it picks to carry on the required lines of activity. The relationship between the body of members and the governing board may be said to be reasonably sound, flexible, and satisfactory, if the form of organization provided makes it easy for the members to select a competent board and to change its membership as occasion may require. If the form of organization permits the board to select, keep, change, fix the pay of and generally direct the managing executive, action is likely to be more prompt and satisfactory, and the lines of responsibility definite and clearly marked.

EVILS OF THE PAST

The form of organization by which cities are governed has been complicated in the past by the connection between local and national political machinery. There has been also an over-emphasis on geographic districts in the election of the board of directors (council).

In the first instance, a pre-election has been provided, under which those who are enrolled under the banner of one or the other of the national parties vote for a nominee selected for them by a local caucus or party committee; frequently this is where the virtual election takes place. Afterward, in the final election, the candidates who have been picked by the party-committee-and-primary method are voted on, and one group or the other is elected. The city council and officials so elected are called Republican or Democratic, only because of the affiliation of one or the other of the local committees with the corresponding national party.

The strict limitation of candidates to district lines (wards) has insured representation of the *parts* of the city, without providing adequate consideration for the needs of the city as a whole. This roundabout and somewhat cumbersome method of electing the governing body of cities might still be in favor were it not for the abuses which have grown up under it. This is shown by the events which have led up to the adoption of the manager form in each of the cities which I visited. While differing in detail in each city, the story runs with a rough uniformity something like this:

THE CYCLE OF MUNICIPAL POLITICS

A local political organization, having gained popular favor through its superior leadership, broader civic outlook, cleaner government, or for some other reason, becomes well intrenched in the city, sure of itself, over-confident, and careless. Control gradually passes from the older leaders into the hands of weak, selfish or unscrupulous men, whose motto is no longer "public office is a trust," but "public office is a chance to get something out of the city." More and more of the city's business is turned over to those whose principal purpose is to make a profit for themselves out of it. Taxes are not too evenly assessed; contracts are let to political favorites at an added cost to the taxpayers. When an inside "ring" thus gains control of the municipal business, it is an easy step from general slackness at the city hall to inefficiency and rank extravagance, and in the larger cities, to graft and corruption.

Then some shameless flouting of public opinion or some rank raid on the city treasury—in the more wide-awake cities it does not get so far—shocks the taxpayers and starts the upheaval. The first charges are not believed—is this not our good old political crowd!—but, as one item after another comes to light, the public is aroused and demands a change at the next election. The voters turn the existing administration out, and put the other party in. To their astonishment they find conditions under the new party régime far from satisfactory, and they begin to realize that a more fundamental change must be made. Some thoughtful citizens, hearing of the results in other cities, propose a new charter providing for nonpartisan elections for councilmen, and an appointed manager, full-time, experienced and paid. A "reform" organization is effected, and a fierce battle follows. If the insurgents are courageous, command public confidence and are well led, the new charter is finally adopted.

Then the old dominant political group, realizing that under the new régime there will be no "plums" to hand out to the "boys," turns fiercely and tries to make the charter of no effect by electing their own candidates to the new council, which will have the selection of a manager whom they hope to control. A second battle follows, and if the new-charter crowd works hard enough and intelligently enough, it succeeds in electing a new type of council, free from obligations to the party bosses, broad-minded and far-sighted enough to look ahead in the city's interest. These men pick from a considerable field a capable manager, who remains for some years. He works closely with the council to give the city improved government. After a period during which the city's business has been well managed, new standards of excellence are set and in time become so firmly established that they do not slide back to former low levels even under a mediocre administration.

But always there is need of alert and fearless men to call attention to the lapses or losses which are likely to come, and to offer constructive suggestions for improvement. In many of these cases a bold editor or an independent civic club has been a great asset to the community.

MANAGER PLAN PROVES SUPERIOR

The reason for the general change that is taking place from mayor-council to manager government is that the latter has been found to work better. Evidence on this point is conclusive. Every impartial investigator brings back a substantially similar story from the cities which he has visited. While each city differs somewhat from every other in the exact steps taken to improve its government, the general results are the same. "Better municipal service for the same money" is the verdict. The game is played better in the council-manager cities.

And when one asks, "Why is the game played better?" one finds that the answer is twofold: first, there is a better set of rules under which the game is played; and second, there is a new and better group of players.

The new charter changes the rules of the game, calling the attention of the public first to the old truth that public office is a public trust and not a private preserve. This is what cheers the patient taxpayer; at the same time it rouses the fierce opposition of those who have played politics successfully under the old rules. The politician, with his well-organized machine, expects to pay his captains, lieutenants, and privates for their work in getting out the votes with more or less lucrative city jobs. Under this situation, they give allegiance to the party organization first, and to the city afterward. But under the new charter, candidates are nominated by the petitions of a certain number of citizens. This makes it difficult for the party committee or caucus to pick the candidate, for anyone else may run, and there is not even the party name or emblem on the ballot by which to steer the ignorant or uninformed to the blanket ticket. More than that, there are so few names on the new ballot that the voter can remember who they are without their being tied together by party name or symbol. Local issues are thus separated from national and state matters, although national and state party lines continue as before.

HIGHER TYPE OF OFFICIAL

And with the new rules have come in a new and better set of players. The evidence is overwhelming that the new councilmen are better than the old — less partisan, of broader gauge—and they stay longer in office, thus giving their city the benefit of their longer experience. Also, the trained city manager is usually superior to the old-time mayor in looking after the needs of the city as a whole. Why should he not be? He is a full-time man, better paid, experienced in municipal affairs, free to pick his own assistants, and anxious to make a good record.

The manager charters provide a better form of business organization for the city—simple enough for the stockholders (voters) to grasp readily, and under which it is easier for them to pick high-grade directors, and through them, a competent city executive. The line of responsibility from top to bottom is also clear and strait—department heads responsible to the manager, manager to council, council to voters, and every voter voting for every member of the council.

Just as a better set of rules makes it easier for the players to play a good game, so the manager charter provides a better framework of government, simpler, more easily worked, freer from party entanglements. But no form of itself *insures* better government. The better form of organization affords only the *opportunity* for better government. If the voters desire a helpful and responsive and reasonably efficient city government and are willing to work for it, the answer is, that it is easier to secure it under the manager form, according to the experience of Cincinnati and Grand Rapids and Norfolk and Kenosha and Newburgh, and other cities of Virginia, New York, Wisconsin, Michigan, and Florida.

THE INSTITUTE OF PUBLIC ADMINISTRATION

BY CLINTON ROGERS WOODRUFF

Honorary Secretary, National Municipal League

The high calibre of the British Civil Service is exemplified in their Institute of Public Administration, of which there is no counterpart in the United States. :: :: :: :: :: :: :: ::

Government administration, or public administration as they call it, has reached a far higher standard of development and perfection of technique in Great Britain than in America. This is demonstrated in many ways, not the least important of which is "The Institute of Public Administration," of which the Rt. Hon. Viscount Haldane, O.M., was president until his death. The Institute exists for the development of the public services as professions, and the study of all aspects of public administration both in Great Britain and other countries.

In the pursuance of these ends the Institute endeavors to maintain high ideals and traditions in the public services and to promote the professional interests of public servants; as well as to study the vocational or professional practice of public administration, the machinery necessary for its efficient day-by-day practice, the historical, economic, and political sciences in their relation to public administration, and constitutional law and practice.

It also facilitates the exchange of information and thought on administration and related questions, with a view to the increased efficiency of the public services, and to the creation of a well-informed public opinion; to develop the technique of administration and to give expression to the considered view of these services on questions of public duty and professional etiquette. It serves likewise to promote cordial relations between the members of different branches of the services, and to encourage interest in their profession. It maintains central headquarters with suitable committee rooms, library and other amenities for study and social intercourse, in the Palace Chambers, Westminster, London, just off the Westminster Bridge.

It fulfills these ends admirably by means of lectures and publications as to the functions, aims and utility of the services, especially through its quarterly journal, *Public Administration.*

In addition to the central headquarters in London there are regional groups in Birmingham, Bristol, Carlisle, East Anglia, East Midlands (Nottingham), Edinburgh, Glasgow, Hull, Leeds, Liverpool, Manchester, Newcastle, Sheffield, and South Africa.

Not only the central headquarters but also the regional groups undertake highly important studies of difficult problems, representing deep research and scholarship which form substantial contributions. There is a winter meeting of the Institute in London, and a summer one, usually at Oxford or Cambridge. The one at which I was present several years ago in Oxford was attended by a distinguished group of public servants representing both the imperial and municipal services and was presided over by Sir Henry Bunbury, K.C.B., a man of remarkable ability and insight. The course followed was highly interesting and productive of high-grade discussion. For each session there were two papers prepared and distributed well in advance so that there was ample opportunity to read and digest them. The authors of the papers sat one on either side of the chairman, who opened the session with some thoughtful observations and then threw the discussion open to those present. At the end of about two hours, the authors of the papers, who had at all times been ready to answer questions, were given an opportunity to close, answering objections and further illuminating their arguments and conclusions.

At Oxford the sessions were held in the historic dining hall of Balliol, where we also had luncheon and dinner, thereby adding to the social opportunities, as did the library and reading rooms, and the lovely gardens which were freely and generously placed at our disposal. In passing I might mention that a part of the meals was some good English beer served by the college authorities!

Dr. I. G. Gibbon, well known among American students of municipal government, said that in contrasting the position in England with that in the United States, we had to remember the very different conditions. As to their own position, he did not think anybody could be very well satisfied at present. A great deal more was desired in collecting and disseminating information in a form that could be readily understood. It was really lamentable that the enormous wealth of information which came to government departments was not made available for local bodies. He did not blame the departments for that. Neither from the general public nor from the local authorities as a whole was there any demand or general appreciation that there was scope for an enormous amount of very useful service.

It is a wholesome and significant fact to note that the British are by no means satisfied with what they have accomplished. They are constantly seeking to improve their technique while they constantly express their desire for improvement. The British do not criticize merely for the sake of criticism. They truly desire improvement.

THE TAXPAYERS' MOVEMENT IN EUROPE

BY DR. GÜNTER SCHMÖLDERS, *Berlin*
Translated by Laura Stiehl, *National Institute of Public Administration*

The taxpayers' movement in Europe presents strong contrast to similar efforts in the United States. Experience abroad offers suggestions for us. :: :: :: :: :: :: :: :: :: ::

SINCE the war, special associations of taxpayers have been formed in several European countries. These associations have made it their problem to supervise the management of expenditures by the civil authorities and administrative departments, and to coöperate, with the help of experience and knowledge gained from private business, in improving the economic structure of the national and local administrations. Every parliament-governed democracy tends, under the pressure of political demands, to extend and enlarge permanently the spheres of its activity, and thereby, the scope of its administration. Those who suffer from this tendency in the end are the taxpayers, who consequently band themselves together to bring about a reduction of the state's expenditures to the irreducible minimum, and at the same time to lighten the tax burden resting on their shoulders.

In the United States this movement may be reviewed today after twenty-five years of existence; in Europe, up to the present time, only Sweden, Great Britain, Denmark, Norway, and Finland can boast of special taxpayers' movements. If one considers them entirely apart from their differing relative numerical significance, these taxpayers' associations show distinct divergences among themselves according to the sphere of their duties and their organization.

At the present time, the European taxpayers' associations present three different types, each of which in its own way has been able to gain strength in the different countries, and each of which strives toward the same general goal in a different way:

1. Advice to taxpayers in tax problems, assistance in taxation suits, direction toward possibilities of economy in taxation under the existing tax laws. (Great Britain)
2. Influencing tax legislation by political means, taking sides for or against certain political parties and candidates, and election propaganda. (Denmark, Norway)
3. Examination of the national and municipal budgets for possibilities of saving, control of the management of public expenditures systems, and coöperation toward as high an efficiency of public administration as possible. (Sweden, Finland)

THE BRITISH TAXPAYERS' SOCIETY

The Income Taxpayers' Society in Great Britain was founded in 1922 by a group of prominent taxpayers and business people, originally for the same purpose which the taxpayers' associations of other countries (especially Sweden) have made their exclusive problem—namely, to limit state expenditures and thereby to make possible tax reduction. Lord Inchcape first took over the presidency of the association, but after a few months the direction of the work was entrusted to Lord Decies, who has filled this position ever since. The task of the newly founded organization was formulated by Lord Decies in the first number of the journal, *The Income Taxpayer*, as follows:

> I should like to say that the society is in no wise political and is not antagonistic to the government. But it does feel that it must watch most carefully the interests of all taxpayers and see that injustices and hardships are not put upon them, which can only be remedied through parliamentary legislation, or by publicity in the press. No good government can object to just and fair criticism.

The English form of the taxpayers' movement is limited to the income taxpayers, which group, because of the comparatively high exemption limit, comprises only those possessed of some means. Based on the peculiarity of the English income tax, whose rate is fixed anew by Parliament each year, the action of the association does not aim toward the changing of the law, but only toward propaganda for the establishment of as low a yearly tax rate as possible. In consequence, the problem of carrying tax reductions through Parliament can be left without hesitation to the political parties as soon as the weapon of publicity has been sufficiently utilized. The control of the expenditure side of the English national budget, on the other hand, is of less importance than in other countries, because the division of the budget into a constant part, not subject to the disposition of Parliament each year, and into a variable part to be balanced with the income tax revenue, brings the connection between expenditures and the tax burden extraordinarily clearly before the eyes of every taxpayer.

A special "expert department" was soon created, which placed its services at the disposal of those members oppressed by tax difficulties, and the membership of the association began to grow rapidly. Still, of the two million income taxpayers of Great Britain, at present only a few thousand are organized into this association, which has remained the only one of its kind. Although zealous propaganda should stimulate joining it, the English association does not possess anything like the same significance as the Swedish, which, with over forty thousand members, numbers approximately ten per cent of the entire population.

POLITICAL MOVEMENT IN NORWAY AND DENMARK

In Norway the political form of the taxpayers' movement developed contrary to the original intentions of the founders and led to a complete failure there. This form still exists in Denmark, however. In both countries the movement was limited by special political conditions, especially by the preponderance of the extreme socialist and communist parties.

In Norway, especially, the bureaucracy was so politicized through party régime that the practical work of the taxpayers' movement was rendered extraordinarily difficult and finally completely impossible. On the other hand, the Danish organization by undertaking the tax problems of individuals, as in England, particularly through rendering advice and help in tax difficulties, and through skillful tacking in the navigable waters of the party rising in opposition to the socialists, understood how to hold its members and to provide the movement with a certain resonance. The *Dansk Skatteborgerforening* was founded in the fall of 1921 on the pattern of the Swedish organization and now has a membership of about seventeen thousand, whose composition, however, changes markedly with the advocacy of the association for or against certain kinds of taxes or state measures.

SWEDEN

Up to the present time the Swedish form of the taxpayers' movement, which has achieved real coöperation in the reduction of state finances, has attained by far the greatest importance of the three forms cited. The Swedish *Skattelbetalarnes Forening* was founded in the beginning of 1921 by the prominent bank director, Marcus Wallenberg, and supported by adequate means grew rapidly in a short time. It was not without practical influence on the condition of the state finances. Its conscious restraint from any political attitude may have contributed not a little toward this result. Recently, however, the association actually seems to have veered toward a friendliness with the originally hostile Social Democrats.

Nevertheless, just as in Denmark, the idea of a peaceful settlement of class antagonism remains in the first place on the program of the association. Of far more decisive significance in the success attained in Sweden, however, has been without doubt the unbiased thoroughness and expertness of the proposals for economy worked out by the association. These have withstood all criticism and in a few years have given the association the consequence of an objective, scientific, research organ. Thus the association has been enabled to wield great influence over the entire provincial press and a large part of the metropolitan papers. The leaders written in the office of the association on questions of public finance are printed today in innumerable papers as the expression of opinion of the editorial staff, and so prepare the ground, in invisible but effective ways, for reforms favorable to economy.

WAYS AND MEANS

To be sure, the activity of the Swedish taxpayers' association is greatly facilitated by a specific Swedish condition in the form of a constitutional principle that the entire national and municipal administrations may become "publicly" managed, and that every citizen must be guaranteed the right to examine any official document he desires. This unprecedented privilege of the Swedish taxpayer makes possible a thorough and expert investigation of the entire administrative activity of the nation and the communities. It also aids in carrying out to a greater degree than in any other land, definitely outlined proposals for a more economical structure of state affairs. Without threatening "publicity," the Swedish association can send its scientifically trained officials to study any magistrate's office it may desire, and these officials possess the unlimited right to publish copies of all state documents. In consequence, the administration is compelled, if not to concur in the proposals of the association, at least to consider them, as it alone must assume responsibility for the measures taken, not only before parliament but also in the face of this vast publicity.

The different financial systems and organizations of these European taxpayers' associations correspond to the different methods by which they strive toward the same goal. Those associations which promise their members direct economic advantages, through achieving taxation economies or through lowering certain inconvenient taxes by political means, can finance their work by means of contributions from members and special fees for services rendered. So the Income Taxpayers' Society in Great Britain raises a minimum contribution of ten shillings for individual members and one guinea for firms. Fees charged for the enjoyment of the expert department are a considerable addition to revenue. Similarly, to quote a further example, the Taxpayers' Association of Victoria, Melbourne, Australia, (patterned after the English model) charges all members dues of one guinea. In Denmark, on the other hand, the financing is done chiefly by means of soliciting contributions, when about to undertake a special piece of work and propaganda against a certain tax, from those branches of industry and those people mainly affected by it.

The Swedish association was built up from the beginning on pledged donations by those branches of trade and industry which were interested in general in its work. These pledges were made in order that the association could plan its work ahead, and could thus effectively, in careful and foresighted ways, influence public opinion. Not until later when the membership began to climb did the amount raised by dues (the yearly fee including subscription to the paper amounted to only five *Kronen*, or about $1.30) become equal in significance to these guaranteed sums from the industrial and the banking worlds. By spreading the financial burden over a large number of business firms and individual persons, it was made impossible for any single individual or firm to become unduly influential. On the other hand, in Denmark the financing has many times led to a very one-sided and politically dangerous partisan attitude through such influence.

LOCAL BRANCHES

The organization of the work of the taxpayers' association in Denmark (and similarly that of the Australian association cited) is based on the principle of decentralization, which has shown itself to be most suited to the pursuit of many-sided, single interests. A number of local associations have been organized and frequently work in close coöperation. However, friction is not always absent. In Great Britain, where the problems of the association are limited to advice to the income taxpayers, a complete centralization of all activities in London was possible. Moreover, as the income tax in all districts is raised in the same manner, local problems do not appear. In Sweden after several attempts with local branches, the association has likewise gone over decidedly to a complete centralization of its task of extensive scientific and journalistic work. It found that the attempts of the local branches, often with inadequate means, to influence individual local administrations, or even to work out positive proposals for economy, did not advance the movement, but rather threatened to discredit it. The entire scientific and journalistic activity of the Swedish taxpayers' organization today is concentrated in the hands of leaders trained in the problems which are met.

On the whole it may be said, that wherever the advancement of single interests is paramount, a certain decentralization corresponding to the problems connected with the locality has taken place. But the scientific examination of questions of budget and economy demands as much centralization and concentration as possible.

THE PROSPECT UNION EDUCATIONAL EXCHANGE

BY ZELDA LIONS

A pioneer in workers' education, the Prospect Union now finds its greatest service in acting as an advisory bureau to adults seeking to continue their education while at work on a job. :: :: ::

THE Prospect Union Educational Exchange of Cambridge is a philanthropic agency, the purpose of which is the encouragement of education for working men and women. The Exchange offers educational advice, vocational counselling, and serves as a clearing house of educational opportunities in Greater Boston, providing information concerning schools and courses of instruction. Another important phase of its work is protection against fraudulent and incompetent schools. Since its establishment in 1923, over six thousand clients have been served from its office, and an unknown number of persons have referred to the catalog, "Educational Opportunities of Greater Boston," a copy of which is placed in public libraries and information desks throughout the country.

The educational information bureau is a comparatively new service of the Prospect Union Association, whose usefulness to the community began nearly forty years ago. Its history is interesting. Quoting from an article written by Professor Francis Greenwood Peabody for the Harvard Alumni Bulletin, in 1923:

A PIONEER IN WORKERS' EDUCATION

> The name of the Prospect Union will recall pleasant memories to many Harvard graduates, and they may be interested to know what has happened and is likely to happen to the work in which they have so generously taken part.
>
> For more than thirty years this evening school has been a meeting place of Harvard students with the wage-earners of Cambridge, the one group coming as enthusiastic teachers and the other as responsive pupils. It was organized in the belief that education at Harvard was a privilege to be transmitted as well as a gift to be accepted, and that it might be equally blessed to give and to receive. The beginnings of the scheme were of the most modest character. A young minister in a Mission Chapel at Cambridgeport, during the years 1891–1892, was reënforcing his usefulness by taking some Harvard courses, and it occurred to him that a few of his fellow-students might help him by bringing what they had learned in their college work to the working men of the "Lower Port." The plan was so warmly welcomed on both sides, and the example of the leader so contagious, that rooms were rented in a Cambridgeport tavern called the Prospect House, and later the old City Hall was taken over and an adequate plant secured. Thus the name is a mere survival of the first primitive lodging of the Union, and has had the advantage of a vague suggestion of hope and progress, without carrying any specific significance. . . .
>
> By degrees, however, the field of evening instruction in which the Prospect Union was a pioneer was entered by many other agencies, some of them much better equipped and more adequately endowed. Technical schools, like the Wentworth Institute and the Franklin Union; classes in the Young Men's Christian Association and the Young Women's Christian Association; evening classes maintained by the city; University Extension courses, and many other provisions for the education of working-men, offered facilities which it was difficult to equal; while the building of the Cambridge subway made the evening classes of Greater Boston easily accessible to Cambridge men. Under these conditions the membership of the Union de-

clined, and its classes became less commanding in their interest. In short, the movement of public opinion had caught up with the plan which the Prospect Union represented, and it was time for that organization to strike out into something new. No test of progress is more satisfactory than this discovery that what was begun as a novel venture has become an essential part of municipal life. The city, the University, and the endowed technical schools, are now accomplishing on a large scale what the Prospect Union in its modest enterprise represented for thirty years.

Confronted by this change in public sentiment, the Prospect Union corporation has now shifted its plans to a new undertaking. . . .

ADVISER ON EDUCATIONAL OPPORTUNITIES

Prospect Union Trustees therefore ask themselves what a young man, proposing to improve his mind or technical skill, as the Prospect Union was designed to help him, most needs as he looks about him for opportunities of instruction. The answer seems to be that he needs information concerning the many agencies which have now entered this field. . . .

On the basis of this distributive information, the Prospect Union Trustees will maintain, from September 1, 1923, a central office, and a salaried agent from whom more detailed advice and personal encouragement may be received. This agent, will, still further, visit, so far as practicable, among graduating classes at high schools, in factories, and in trades unions, as a kind of educational missionary, promoting advanced study and advising ambitious scholars. In short, instead of the limited operations of a single evening school, such as the Prospect Union undertook to be, there will be substituted an advisory relation with all the educational opportunities which Greater Boston now so lavishly provides; and in this novel enterprise, undertaken within the special area of Cambridge, but applicable to any community, the Trustees hope for the approval and encouragement of the friends of the Prospect Union.

HOW THE EXCHANGE OPERATES

When the agent had completed the survey of the schools, and had selected those agencies which are adaptable to the educational needs of working men and women, and had satisfied himself as to the evidence of ability to teach the subjects offered, the training of instructors, apparatus and equipment, library facilities, sanitation and lighting, and financial integrity, study was made of the courses they offer, and a filing system was established. A uniform method of listing the schools and their courses was worked out, and an effort was made to print the information in as simple a manner as possible. The name of the school, its address and telephone number, the nature of instruction offered, fees, the hours of meeting, and the time for enrollment; in listing the courses, the name, fee and hour of meeting are included in concise form. The Exchange publishes yearly a list of about 150 schools offering 2,500 courses in 575 subjects which are understood to be open to working men and women regardless of previous education. (College-grade courses are not included in the catalog, but are listed in our files.)

The booklet, "Educational Opportunities of Greater Boston," is distributed to personnel and office managers, social service workers, ministers, probation officers, school department heads, information desks and all public libraries. Record of persons assisted in securing educational information from these sources is, of course, unavailable. The Prospect Union Educational Exchange served directly (persons who have written or telephoned or visited this office) 6,187 clients from September, 1923, to November, 1929. Every client who visits the Exchange is given a personal, private interview by the director, who applies, to the best of his ability, case-work principles and vocational counselling. Effort is made to ascertain the real problem of the individual and to solve it in the best possible way.

Recently a young woman came to

this office for advice. She was generally discouraged, and exceedingly restless. She had a good position as stenographer in government work, earned a good salary, was contributing to the support of her family, and had been working in the same place for five years. She said that she had liked the work until now, but that it suddenly became uninteresting, and she wanted to make a change. She confided that she would like to become a writer, but that she realized that the road to remuneration in that field is a long, difficult one, and earning her livelihood was a necessity. Questioning resulted in discovering that her evenings were spent in playing bridge with her friends, visiting, and going to the "movies." She was tired of talking about clothes evening after evening, and she didn't like to play bridge, and played only for sociability's sake. We found a course in advanced composition, offered in the evening, in which she has enrolled. She is required to write a thousand words a week, and reports from her instructors are very encouraging. She came back to tell us that her work is interesting again, that she spends most of her evenings reading good books, and that everything around her seems to have taken on new life. We have made a friend of the girl, and she has come to see us often, and we have spent several enjoyable evenings in discussing books and plays and music.

The social service agencies and the chambers of commerce in Boston and vicinity refer to the Exchange for educational advice constantly.

SCHOOLS AND PRESS COÖPERATE

Mention should be made of the fact that some schools coöperate with the Educational Exchange when planning extension of curriculum. This office has a close touch on the demand of the community. A notable example of this occurred in the second year of the Exchange. There had been a considerable demand for high-school courses on the part of men and women. Of course, the public schools offered these courses, but at that time no public evening high school was preparing for the college entrance examinations.

Here was a gap in the system. Some study was made as to the best methods of instruction, a careful statistical review was drawn up, showing the demand, and both were submitted to the Boston Young Men's Christian Union, a non-profit-making welfare agency. This resulted in the establishment of a new school, "The School for Supervised Study," which is unique in service to students since it offers the use of a study hall, with the privilege of consulting with a supervisor, for persons who are studying by themselves, or taking correspondence courses or class instruction, and find that they are unable to secure as thorough or rapid progress as desirable. Statistics from the School for Supervised Study show that about 50 per cent are studying for college entrance examinations. The school is open from 10 A. M. to 10 P. M.

The following fall the Boston School Department opened the English High School for the first time, offering evening courses in college preparation. The demand has been uncovered; the result is that hundreds of men and women, many late in life, are now getting a high-school diploma, whether they wish to go to a university or not.

The Prospect Union Educational Exchange is anxious to offer its services to as many people as possible. In this respect the press of Greater Boston has been extraordinarily coöperative, since they have published notices of our work, and have written several editorials to inform their readers of the available assistance offered by the Exchange. We charge no fee to either the client or the schools listed in our booklet. The Exchange is supported by endowment.

SIGNS OF PROGRESS IN COUNTY GOVERNMENT

NATIONAL MUNICIPAL LEAGUE MODEL LAW WILL AID SPREAD OF MANAGER PLAN

BY PAUL W. WAGER
University of North Carolina
AND
HOWARD P. JONES
National Municipal League

Where given fair trial in North Carolina and Virginia, the county manager plan has cut governmental costs and improved public service. This article is a companion piece to the Model County Manager Law published as a supplement to this issue. :: :: :: :: :: ::

WITH the Model County Manager Law drafted by the county government committee of the National Municipal League now off the press, the time seems ripe for a charting of position.

Just what progress has been made so far?

Where is the plan now in operation?

Where can it be adopted without constitutional amendment—that bogey of reformers?

Where can it be adopted without special legislation? And so on and so forth almost *ad infinitum*.

There has been talk for years about the manager plan for counties. Action has been slow, for a number of reasons, chief of which is the fact that the county is the last retreat trench of political bossism. Lack of a carefully worked-out plan has also retarded progress.

TEN MANAGER COUNTIES

At present there are ten counties whose executives may be said to have attained the status of managers. None, however, is of the full-fledged, dyed-in-the-wool variety contemplated by the term "county manager plan." The latter has yet to be adopted *in toto*. The following counties, however, have come close enough to it to give some idea as to the practicability and effectiveness of the working principle of the plan:

Alamance County, N. C.
Cleveland County, N. C.
Davidson County, N. C.[1]
Guilford County, N. C.
Robeson County, N. C.
Albemarle County, Va.
Arlington County, Va.
Augusta County, Va.
Fairfax County, Va.
Pittsylvania County, Va.

The results achieved in each case will be discussed briefly later in this article. First, let us consider the need for such an official in solving the county problem.

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[1] Abandoned plan 1929. See p. 545.

NO COÖRDINATING OFFICER

Opinions of those close to matters of local government throughout the country seem to agree that the need is great. Tabulated results of a questionnaire sent out by the committee on county government of the National Municipal League show that in a great majority of the states there is no county official who might be termed a chief coördinating officer. The need for a stronger county executive is widely felt, if the views of the correspondents may be taken as typical of the territory in which they reside.

Could this executive be the county clerk or the clerk of the board? The clerk appears most nearly to approximate a county coördinating officer. In several states the county clerk is ex officio clerk of the board.

In most of the states, the duties of the clerk of the board seem to be confined to those of a secretarial nature. In several, however, he has been given other duties which add to his status and usefulness. In Massachusetts he is a legal adviser. In some of the counties of Nebraska, Minnesota, Iowa, Utah, Idaho, and Georgia he has been made purchasing agent for the board. He has fiscal duties in Illinois, Michigan, Missouri, Arkansas, South Dakota, Oklahoma, Virginia, North Carolina, Georgia, and probably other states. Perhaps in no instance, however, can he be considered an executive agent in the fullest sense. He does not have authority to act for the board except in a limited way, and if he is an ex officio clerk, presumably he does not have the time. There seems to be some evidence, however, that the county auditor in Iowa, Minnesota, and certain other mid-western states often develops into a very useful officer. On the other hand, the office is elective and there is no certainty that a competent person will always be elected. Generally speaking, the county boards everywhere are without a clerk who approaches the stature of an executive agent. Occasionally a clerk of exceptional ability has risen to this position in practice by transcending his legal powers, but this is the rare case. Apparently, if we look to an elective or ex officio clerk, we shall look in vain, but an appointed clerk may evolve in some instances into a manager.

One difficulty in reaching any sort of satisfactory generalization is the really amazing variation in the titles and functions of county officers of different states, as well as the variation that frequently exists between counties of the same state.

THE CONSTITUTIONAL SITUATION

Ascertainment of the exact local facts in each case, however, is of less importance than the discovery of what may legally be done to improve the situation. This brings to the fore the constitutional obstructions faced by any movement to improve county government. In many states, county officials are fortified by being specifically provided for in the constitution. An amendment, therefore, would be necessary to change the county governmental structure in these states.

Nebraska is the only state in the union which has no constitutional provisions concerning county government.

In four other states—California, Maryland, Montana, and Virginia—the constitution has been amended to permit the legislature to alter the form of county government or to provide for optional forms. Louisiana's constitution of 1921 also contains a similar provision. There are, perhaps, no other states which are entirely free from constitutional limitations. But there are certainly a number of other states in which the constitutional provisions touch only a few offices and thus are not a serious obstruction in the way of reorganization. For instance, in Iowa, the only constitutional officer is the county attorney; in Oklahoma, there is none except the county judge and the justices of the peace; and in North Carolina, none except the justices of the peace, the sheriff, the coroner, and the clerk of the superior court. These judicial and court officers are not strictly a part of the county organization, hence their presence need not prevent the adoption of the county manager plan.

According to the questionnaire replies from Wisconsin, Nebraska, and Georgia, only an enabling act by the legislature would be necessary to effect a change in county government in those states. Those who answered the questionnaire from Maine, New Hampshire, New Mexico, North Dakota, South Dakota and Wyoming also expressed the opinion that there were no serious constitutional difficulties to be overcome in their respective states.

WIDESPREAD AGITATION

Agitation for improvement in county government is becoming widespread. Movements are under way in Alabama, California, Florida, Georgia, Iowa, Kansas, Mississippi, Missouri, North Dakota, Ohio, Oklahoma, Oregon, and South Carolina. Indiana and Colorado may have constitutional conventions in 1930 or 1931. If so, the problem of county government unquestionably will be taken up.

A number of specific though fruitless efforts to adopt the manager plan also should be mentioned.

California has paved the way for county managers to the extent that it permits any county to form and adopt a special charter. A charter providing for a county manager, however, was rejected by the voters of San Diego County in 1917 and again in 1923.[1] The Alameda charter ratified in 1927 did not provide for a county manager. A county manager charter also was defeated by a small margin in Sacramento County in 1922.[2]

Baltimore County, Maryland, drafted a thoroughgoing county manager charter in 1920, but the voters turned it down.[3]

An effort was made at the last session of the Oregon legislature to provide for a constitutional amendment making it possible to adopt the county manager plan, but the resolution failed of adoption.

An amendment resolution was also introduced in the last session of the Ohio general assembly, to permit the incorporation of counties under a charter of local preparation, but it, too, was defeated.

The movement for improvement in county government in Ohio contains much promise. Charles P. Taft II, of Cincinnati, is chairman of a subcommittee of the Ohio State Chamber of Commerce, which has drafted a tentative joint resolution proposing a county home rule amendment to the Ohio state constitution, for submission to the next session of the legislature. Others who worked with Mr. Taft in drawing up the resolution included Dr. S. Gale Lowrie and Emmett L. Bennett of the University of Cincinnati, and C. A. Dyer of the Ohio State Grange and Ohio Farm Bureau Corporation, Columbus, Ohio.

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[1] "Politicians Win Again in San Diego County," by Charles Hoopes. NATIONAL MUNICIPAL REVIEW, Vol. XII, p. 345. (July, 1923).

[2] "County Manager Charter Defeated in Sacramento," by Irvin Engler. NATIONAL MUNICIPAL REVIEW, Vol. XI, p. 309. (Oct., 1922).

[3] "A County Manager Charter in Maryland," by H. W. Dodds. NATIONAL MUNICIPAL REVIEW, Vol. IX, p. 504. (August, 1920).

The amendment as proposed would not only permit the individual county to determine its form of government—important and sweeping a change as that is. It would go a step further and strike at a solution to the whole problem of local government by permitting townships or municipalities within the borders of a county to abrogate to the county any or all powers which they now possess.

Montana removed all constitutional obstructions in the way of the adoption of the county manager plan in 1922, but an effort to consolidate Butte and Silver Bow County under a managerial form of government failed of ratification by the people.

New York's constitution was finally amended to permit the reorganization of county government in Nassau and Westchester counties, but no plan yet proposed has met with popular approval. Governor Roosevelt is advocating thoroughgoing reform in town and county administrative structure.

An excellent bill providing for the adoption of the county manager form of government was introduced in the 1929 session of the Oklahoma legislature, but it was killed in committee.

The most advanced steps in the direction of the county manager have been taken in North Carolina and Virginia.

COUNTY MANAGERS IN NORTH CAROLINA[1]

North Carolina counties for some years have been tending in the direction of government by manager. This development has taken two separate courses. In some counties the chairman of the board has been expanded into a virtual manager spending full time on the job. In other counties, the auditor or accountant has become the most important executive.

In both instances, however, the increased authority of these officers has emerged through the effort to supply a stronger executive or at least some administrative headship, upon which responsibility could be centered. Either officer, or the combination of the two found in some counties, is a step forward, supplying more unity and continuity in the conduct of county affairs. Neither may supply the technical quality which is needed and both are hampered by the presence of several elective officers who may refuse to be coöperative. Nevertheless, the value of an even greater degree of coördination has been demonstrated, and has led in five cases to the appointment of a manager in name if not in fact.

North Carolina, it should be noted, by a constitutional amendment in 1875 authorized the general assembly to alter or abolish most of the provisions touching the county organization. This authority, however, did not extend over the court officers.

It was not until 1927, though, that North Carolina passed legislation which permitted a real test of the county manager plan to be made.[2]

North Carolina's action was the first blow on a wedge that seems likely to be driven deeper and deeper. Virginia followed with a second vigorous stroke. Reports from counties of both states which have adopted the plan indicate satisfactory accomplishments. Costs of government have been lowered, businesslike methods introduced, and greater public service rendered.

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[1] See also "Improving County Government in North Carolina," by Paul W. Wager, NATIONAL MUNICIPAL REVIEW, January, 1929; "County Management," by Dr. Wylie Kilpatrick, University of Virginia, 1929, 48 pp.; "Making the County Automobile Run," by Howard P. Jones, *The American City*, October, 1929. A complete bibliography on county government may be obtained free of charge from the National Municipal League, 261 Broadway, New York City.

[2] For digest of this legislation, see "North Carolina to have Better County Government," by Paul W. Wager, NATIONAL MUNICIPAL REVIEW, August, 1927, pp. 519–526.

There are four counties in North Carolina which are now operating under the county manager plan of government and one other which has had a manager. In three counties—Alamance, Guilford, and Cleveland—the managerial powers have been conferred upon a member of the board of commissioners. In the other two counties—Davidson and Robeson—the manager has been appointed by the board but not from among the membership of that body.

ALAMANCE COUNTY, N. C.

In 1925 a special act was passed by the general assembly providing that the chairman of the board of commissioners of Alamance County devote his entire time to the performance of certain enumerated duties. These included, in addition to those ordinarily imposed upon a chairman of the board, the following: (a) act as purchasing agent; (b) have, under his direct supervision, control and management of the building and maintenance of all county highways and bridges; (c) have general charge of all the finances of the county; (d) sign or countersign all vouchers; (e) act as tax supervisor; (f) have entire supervision of the county home, the jail, the workhouse, and all public property owned by the county except schoolhouses; and (g) with the approval of the county commissioners, employ and fix the compensation of all necessary superintendents, employees, and janitors necessary to superintend and keep and maintain said buildings and property.

The act went into effect March 1, 1923. It is difficult to appraise the significance of the managerial future in Alamance. The county appears to be well administered. Some important financial reforms, however, are traceable to the accountant rather than the manager.

DAVIDSON COUNTY, N. C.

Davidson County was the first county in North Carolina to employ a county manager under the authority granted by the general statute of 1927. Furthermore, it was the first county to select a manager from outside the "courthouse ring." The first manager was chosen in 1927 from among the ranks of the county's outstanding business men, and so successful was he in putting county affairs upon a business basis that his achievements attracted nation-wide attention.

While figures do not tell the whole story, it is worth noting that the tax rate in Davidson County, which was $1.25 per $100 valuation under the old system, was lowered under the county manager to $1.20 in 1927 and to $1.17 in 1928. This reduction was accomplished by cutting the unit costs. Its significance may be further appreciated when it is known that Davidson County's current indebtedness was reduced in the same period by $100,000. This, combined with prompt meeting of obligations, resulted in the county's credit rating being raised from C to A.[1]

In the election of November, 1928, the other party came into power in Davidson County, and the new board felt that the managership should be changed accordingly. Without casting any reflection upon the second manager, who was a very able man, one is compelled to believe that it was a mistake to change managers so early in the life of the experiment.

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[1] See "Improving County Government in North Carolina," by Paul W. Wager. NATIONAL MUNICIPAL REVIEW, Vol. XVIII, pp. 8–15. (January, 1929).

The new manager was independent and aggressive, in fact rather enjoyed a fight. For ten years half of the road levy collected within the three incorporated towns of the county had been returned to these towns for street improvement purposes. The manager challenged this practice on the ground that it was an illegal diversion of county funds. Partly because of his championship of this issue, and partly because of faults of temperament, the manager soon lost the favor of his board and was asked to resign. This he refused to do, whereupon the office of manager was abolished. Thus Davidson County, after having given us the finest demonstration of the county manager plan that has yet been made, discarded it precipitately.

GUILFORD COUNTY, N. C.

The manager in Guilford County had been a member of the board of county commissioners for nine years. He was given managerial powers following the induction into office of a new board in December, 1928. The Guilford board has five members, one of whom has been made chairman, another manager, and a third, purchasing agent. The chairman devotes a considerable portion of his time to his office and receives a salary of $1,800. The manager and the purchasing agent each devotes his whole time, and the salaries paid are $5,850 and $2,400 respectively.

In Guilford County the manager does not perform the duties of county accountant or of tax supervisor. These duties are performed, as they have been for many years, by the county auditor. There is the fullest coöperation, however, between the two offices.

An objection to the Guilford system is that administrative positions are given to members of the board. Most students of government feel that the county manager, like the city manager, should be an independent official, hired by the board from within or without the county upon the basis of merit alone and without regard to his political affiliations.

CLEVELAND COUNTY, N. C.

One of the most successful experiments with the county manager form of government has been in Cleveland County. Following the passage of legislation in 1927 which recognized the manager plan of county government, the board of commissioners of Cleveland County elevated their chairman, who had served in that capacity for six or eight years and had proved himself an able executive, to the managership.

Here the manager is primarily an accountant. He issues vouchers, keeps the books of financial record, audits the other courthouse offices, and prepares the financial statements. To a limited extent the manager acts as purchasing agent. He is not tax supervisor, at least not officially so. He devotes his whole time to county work, for which he receives a salary of $3,000 a year, and in addition his regular per diem as a commissioner.

ROBESON COUNTY, N. C.

The most recent adoption of the county manager plan is in Robeson County, where the plan went into operation May 1, 1929.

The appointment of a county manager in Robeson County was made mandatory by a public-local act enacted by the last general assembly. The commissioners were not particularly sympathetic with the idea, and hence were not disposed to engage a high-priced man. Two of the principal duties imposed upon the manager are to act as purchasing agent and to be custodian of all county property. Reports of the manager's work are very favorable and the county seems to be pleased with the experiment.

COUNTY MANAGERS IN VIRGINIA

ALBEMARLE COUNTY, VA.

The only county in Virginia which has a manager, both in name and fact, according to Dr. Wylie Kilpatrick,[1] is Albemarle County. The office has its origin in the enactment by the 1928 legislature of a general county road law which annulled eighty-five special road acts. The counties were directed to choose between three alternative forms of road management. The counties could (1) manage the roads directly by the board of supervisors, or (2) through a county engineer appointed by the board, or (3) through a county manager named by the board. The board of supervisors of a majority of the counties voted that the boards of supervisors should continue to manage the roads. In eighteen counties the boards preferred a county engineer whose work is strictly administration of the roads.

A single county, Albemarle, decided for a county manager, who, under the text of the law, "shall be a business man and a man well versed in practical road building, competent to supervise and maintain roads and bridges and to keep accurate accounts and records." Thus the manager, in addition to his road duties, prepares the budget for the county and road funds; purchases supplies and employs labor for roads and public works; and submits a monthly statement of county expenditures to the board. Although the law contemplates that he "shall be the executive officer of the county in all matters relating to roads, bridges, public works and business of the county, except schools," the manager, in fact, is the county engineer to whom has been granted correlative fiscal powers because the county lacks an accountant or auditor. In Albemarle, the board renamed the county engineer as manager and instructed him to continue his past work and in the future to prepare the budget.

FAIRFAX COUNTY, VA.

In Fairfax County, the board reappointed the former engineer and gave him the duties of preparing the budget, supervising the county buildings, and appointing the county policemen and road force, but did not bestow upon him the new title of manager.

ARLINGTON COUNTY, VA.

Anticipating the requirement of state law, Arlington County in April, 1928, appointed a directing engineer who neither is a road engineer nor county manager, although he exercises all the authority of the former and part of the power of the latter. Named by the board, he manages not only the roads and bridges, but the county public utilities including water and sewer systems. He is purchasing agent for these services, hires the labor, and keeps control accounts of expenditures. Although not called a manager, he is quite as near one as the Albemarle official who carries the title.

AUGUSTA COUNTY, VA.

In 1927 the Virginia legislature approved a special provision permitting Augusta County to depart from the customary practice of combining the two jobs of clerk to the circuit court and clerk to the board of supervisors in one official, the county clerk. The supervisors desired someone to look after the details of their growing business and to be on the job between meetings. The law read: "In the county of Augusta the board of supervisors shall have the power to elect for a term of two years someone other than the county clerk as clerk to their board. The board shall by proper resolution prescribe the duties of said clerk which shall be in addition to his duties prescribed by law."

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[1] *County Management.* A Review of Developing Plans of County Administration in Virginia and North Carolina, by Dr. Wylie Kilpatrick. University of Virginia, 1929. 48 pp.

The county supervisors did not seek a new man to fill the enlarged position but appointed the man who had been their clerk for ten years as well as deputy county clerk.

As a matter of fact, therefore, the title of county manager does not exist here. But the principle of the plan has been invoked, for the "clerk" is the executive agent of the board of supervisors. In the two and a half years which have elapsed since the appointment, he has proved his worth in making investigations for the board, in the preparation of a detailed monthly statement as well as a complete annual report, in keeping the fiscal accounts of all departments, in liquidating all floating indebtedness, in funding the long-term indebtedness at a lower rate of interest, and in reducing the tax rate without any contraction or curtailment of public service.

While the powers of this manager-clerk do not reach to authority over elective officials, he is in a position to correlate their work. Through a complete financial statement submitted monthly to the board, active administration of debts, and a thoroughgoing budget, he is able to provide a centralized financial control never before realized.

The figures are interesting. The county has regularly borrowed money at 4¾ per cent, while its sinking funds are earning 6 per cent. At the end of the second year of manager-clerk régime, all debt had been wiped out except long-term bonds for the repayment of which provision was definite. During his first fiscal year, 1927–28, the debt was reduced $57,665 in addition to the increase of the sinking fund. During 1929, a county debt of $18,600 was absorbed, $20,000 road notes paid off, and three minor obligations redeemed. And the debts were retired, it is significant to note, in the year following a decrease in the county and road tax rates that lowered taxes in all of the seven districts of the county .[1]

From 1923–24 to 1926–27, county expenditures jumped from $550,579 to $737,916. From this they dropped gradually to $612,482 in 1929–30. Thus good management among other improvements actually saved the county $125,334 in a three-year period when local governmental costs generally throughout the country were increasing!

PITTSYLVANIA COUNTY, VA.

Pittsylvania County has an "auditor-manager," who has been in office since 1926. His work as county auditor has resulted in the adoption of rigid budgetary control, a classification of expenses by office and object, centralized purchasing with all purchase orders routed through the auditor's office, more efficient administration of the debt service, and a reorganization of the road and welfare departments.

CONCLUSIONS

This series of sketches about county manager experiments reveals that in no instance has there been an application of the county manager plan in its fullest and best sense. In no instance has a manager been sought from outside the county and in only a few instances from outside the board. In no instance has the manager been given plenary powers and in no case has the appointment been entirely free from political influence.

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[1] Wylie Kilpatrick, *op. cit.*

This hesitancy to break away from established practices is not at all surprising, nor is it altogether bad. While it prevents a clear-cut test of the new system, it does enable a county to make a venture which if successful may be pressed further and if unsuccessful does not condemn the system. Even where the experiment has been disappointing there seems to be no disposition to condemn the county manager plan, but rather a determination to select more wisely next time.

Such is the progress made to date in the direction of county management. It is to be anticipated that substantial impetus will be given the movement by the publication of the recommendations of the county government committee of the National Municipal League,[1] and the availability in convenient form of a proposed measure for submission to legislatures.

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[1] See special supplement to this issue of the National Municipal Review.

RECENT BOOKS REVIEWED

How Britain Is Governed. By Ramsay Muir. New York: Richard R. Smith, Inc., 1930. 333 pp.

It is a pleasure to welcome a new book by an experienced author issued by a young and enterprising publisher. Mr. Muir is well known to all American students of British politics and Mr. Smith through his long association with the Macmillan Company has a wide acquaintanceship among the readers of the country, which will doubtless be rapidly extended now that he has launched a concern of his own.

If there is anything typical in the world, Mr. Muir's volume may be called typically British. It is not heavily laden with the philosophical implications and scholarly apparatus common to German writings in this field. It takes a central theme and sticks close to it. Above all things it is practical, and truly presents, as the author indicates, "an independent, critical, and realistic view of the actual working of the British system of government." He puts aside accepted orthodoxies, time-honored theories, and tries to see things "as they actually are"—Ranke's philosophy by the way, so eloquently assailed by Croce. And as a result those who still linger in Bagehot's land of dreams will on completing the reading of this book rub their eyes and feel like Rip Van Winkle. In fact it seems that every rock-founded dogma expounded by the old school of constitutional historians is exploded. Were we not taught long ago that the supremacy of the House of Commons hangs on its control over the purse-strings? Mr. Muir calmly shows that "the control of the House of Commons over finance is even more unreal and perfunctory than its control over legislation." From this it is easy to imagine what happens to other cardinal points in our constitutional faith.

The grand divisions of the book indicate its general drift. Part I describes the government —its functions, the professional administrators and the bureaucracy, the prime minister and the cabinet, political parties and the party system. Part II deals with control on behalf of the people—elections to the House of Commons, the inner working of the House, the Second Chamber, and the operation of outside influences, including Mr. Lippman's phantom, public opinion.

What do we find under these heads? An enormous increase in the range and power of the bureaucracy, now the most potent influence, most ineffectually controlled. The growth of cabinet dictatorship. Increased rigidity in the party machine which reduces the Commons to a rubber stamp, putting an end to its grand deliberative functions. A distortion of the electoral system which, through the working of party machinery, deprives the Commons of a representative character and makes every campaign a gamble. The increasing incapacity of the House to perform its functions on account of excessive pressure of business, cabinet dictatorship, and faulty procedure. The reduction of the House of Lords to a position of humiliating impotence. The strength of organized interests exercising direct pressure upon and even control over the government, "which often pays greater deference to them than to Parliament."

After this realistic description, or rather mingled with it, are suggestions as to ways out of the muddle. Some of them deal with measures designed to restore Parliament to its historic position with respect to certain matters. Others run to the root of administration and explore the possibilities of "regional" and "functional" devolution—transferring large parts of governmental business to subordinate agencies (federalism) and to economic or group organizations.

Even from this brief and imperfect sketch it is evident that Mr. Muir has written an important book which American students who have got beyond "the separation of powers" in the primer will have to examine. If they feel like Alice in Wonderland while reading Bagehot, they will feel at home in these pages. Some noble lords of ancient title, if not lineage, will appear to them as real as Mr. Mellon, Mr. Vare, and Mr. Grundy.

Charles A. Beard.

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Public Borrowing. By Paul Studensky, Ph.D. New York: National Municipal League Monograph Series, 1930. 137 pp.

This study outlines in an effective and concise manner the fundamental weaknesses of the traditional policies pursued by our states and municipalities in the financing of their public improvements. Superficial theories and erroneous assumptions have too long controlled the use of public credit. An analysis of the trend of capital outlays in cities and states shows clearly that the major classes of expenditures for permanent improvements have tended to become continuous and annually recurrent. It is essentially on the basis of this condition that Dr. Studensky criticizes present methods and outlines his own plan for the use of public credit.

Legal restrictions, such as debt limits, are inadequate, because they are "*ex post facto* measures or penalties rather than preventives." While they prevent bankruptcies or defaults, they do not induce government authorities to follow a different financial policy from that to which they have become accustomed. Bond referenda have not resulted in a balanced financial policy, since in cities they have not stood in the way of an all-loan policy, and in some of the states they have prevented borrowing altogether for many years. The author favors the liberal use of loans only in undeveloped communities or in developed communities in times of business depression. He considers fundamentally unsound and unjust the theory that the term of the loan should, in each case, more or less equal the life of the improvement financed from the loan. The disadvantages of this traditional policy of long-term bonds are that it perpetuates the debt, since the property created with the aid of the loan is consumed when the debt is amortized; that it bars the accumulation of wealth, because the government could not possibly create or acquire property in excess of its borrowing capacity, and the costs of the total property created or acquired are at all times offset by an equal amount of indebtedness; that it bears no relation to needs, since the life of the improvement is unimportant from the point of view of the production of new improvements; that the life of the improvement is unrelated to the ability of the state or community to pay; that it bears no relation to the state of the debt; and finally, that it has no relation to the term for which the investor may want to loan his money, a factor which determines to a large degree the marketability of bonds.

Dr. Studensky condemns the logic of the rule which suggests a financial policy combining borrowing with taxation, based on the distinction between revenue-producing improvements and non-revenue-producing improvements. "Whether the expenditure is 'revenue-producing' (financed by service charges) or 'non-revenue-producing' (paid from taxes) has nothing to do with the question of whether borrowing should be resorted to or not." In the opinion of the reviewer this statement seems a little too sweeping, because from the standpoint of practical administration the distinction between these two types of improvements must be given some consideration in deciding whether to finance by revenues or by bonds.

The Massachusetts plan (financing certain recurrent expenditures by means of current taxation and restricting borrowing to expenditures which occur at irregular intervals) is a substantial advance over the traditional policy of borrowing, but "it furnishes no safe guide for the determination of what needs are ordinary and what are extraordinary."

After reviewing briefly several additional plans for combining borrowing with taxation for the financing of improvements, Dr. Studensky outlines his own proposal. He emphasizes first of all that expenditures for permanent improvements must be planned in the aggregate, instead of by individual items or classes. There must also be a long-term improvement program covering a five- or ten-year period, and a short-term program covering a year. "The distinctive feature of the proposed plan is a new method of determining the proportions in which taxation and borrowing should take care of expenditures for permanent improvements. The proportion is determined with reference to the total expenditures for the year, and in accordance with the idea that taxation should take care of the normal amount of these expenditures and that borrowing should be resorted to only for financing the excess over that amount." The normal amount of capital expenditures would be determined for the given municipality or state on the basis of the normal ratio of these expenditures, plus debt charges, to the total costs of government, during the preceding ten or twenty years. In operating the proposed plan, the bonds issued should be general improvement bonds, and there should be established a consolidated permanent improvements fund, into which the amounts raised from current taxation, as well as from loans, would be paid annually, and from which the various special funds or accounts established for various special works could be expended annually.

Undoubtedly Dr. Studensky's trenchant criticisms of traditional policies are timely and conclusive. Citizens and administrators have long stood in need of such a concise presentation of the factors involved in the problem. While the reviewer is somewhat apprehensive about any rule that is intended to be automatic and universal in guiding the destinies of government finance, he believes, nevertheless, that the formula presented has intrinsic merits and is highly deserving of experimentation.

MARTIN L. FAUST.

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OUR CITIES TODAY AND TOMORROW. By Theodora Kimball Hubbard and Henry Vincent Hubbard. Cambridge, Mass.: Harvard University Press, 1929. 389 pp.

No one interested in city planning can afford not to have this book, whether his interest be that of student, technician, administrator, real estate operator or what not. It is a repository of facts in detail, and in sum it is a picture of the American city as it is today and as it is trying to shape itself for tomorrow.

It has another interest, I think. American cities, having no bonds that connect them with each other (at least none that cross state lines), are rarely to be seen as The American City. Too many of us who have written about that imaginary synthesis of our national urban life have but tricked out our mental picture of one city or two, with some things we have heard or read about some other cities. In this book we have a picture of what 120 cities in 42 states are doing with respect to town planning. No less than 117 of these cities were visited by Mr. Menhinnick, who assisted the Hubbards in the study, so that the field survey was made through one pair of eyes and the contrasts and comparisons by one mind. Then, when it is remembered that this field work was participated in by Mrs. Hubbard and the whole study was reviewed and interpreted by her and her husband, whose knowledge of different cities in different states is perhaps unsurpassed by any persons in the country, then the book assumes a new and high value as a significant study of the state of progress of municipal planning in the country as a whole.

And what does that study show? It is that here and there and everywhere, by widening a street, by cutting off a corner, by exercising a little more control over new sub-divisions, by zoning, by the mapping of major street systems, by the planning of park systems, by the beginning control of the height and bulk of buildings in relation to the space they need not only for standing room but for service and for light, by beginning talk about the possibility of aesthetic control under the law, by all these beginnings and more; that by some little achievements here and there; and by some bold schemes now and again; this book shows that the cities of America are endeavoring with some promise of success to control and shape the American city of tomorrow.

The chief value of the book is that by means of its full indices, its alphabetical arrangement of the cities under various headings, and the division into the several departments of planning interests, it permits the reader to find the fact he is searching for; and that without in the least impairing the interest or the influence of the general text.

LOUIS BROWNLOW.

⁂

COUNTIES IN TRANSITION. *A Study of County Public and Private Welfare Administration in Virginia.* By Frank William Hoffer. Institute for Research in the Social Sciences, University of Virginia, 1929. 255 pp.

"Counties in Transition" is the arresting title of a new volume for our county government shelf. The title is a bit deceiving unless one notes the sub-title; still, the short title can be justified on the ground that all of our social institutions are in transition and most of the problems of welfare spring from that fact.

The scope of the study is indicated in the general fields of welfare activity included, namely (1) dependency; (2) delinquency; (3) character-building and recreational agencies; (4) religious, civic and fraternal organizations; (5) health and hospital services. Manifestly it would have been impossible to study intensively all of the counties of Virginia, therefore six counties were selected—four with organized public welfare units and two without—these counties being considered representative of the varied conditions in the state.

Prior to 1922 there was no legislation to permit or encourage public welfare work on a county-wide basis. That year the legislature enacted a body of new public welfare laws, reorganized the state board, and made the county the unit of administration. "The general idea underlying the county unit of public welfare," says the author, "is that relief and prevention should be united. . . . The traditional pattern of rural life has been disrupted; the present generation of American farmers has experienced a more rapid transformation in their whole physical and spiritual environment than has occurred since the discovery of America. Profound social developments affecting the family, the community and social practices have followed. In a large measure the isolation of the rural community has been broken down. This has facilitated the entrance of the farmer into a larger world far removed from the local neighborhood to which he was bound in the past. . . . The county is the natural unit, not only for public relief but for child welfare, the juvenile and domestic relations court, the oversight of the delinquent through probation and parole, and the activities of the character-building, educational, and recreational organizations. . . . A policy of coordinated service and activity between state and county means growth, both in the state and the county. On one side there is a reaching up to the state for leadership and direction and on the other side there is a looking down to the local community for support and interest."

Only a few of the fourteen chapters can be mentioned here. There is an excellent chapter on outdoor poor relief, including its historical background, the theory of outdoor relief, and current practices. Special mention should be made of the chapter dealing with the county almshouse, for Virginia has taken advanced steps toward abolishing this ancient but thoroughly discredited institution. The county almshouse has never offered a solution to the problem of poverty and old age. Generally the feeble-minded, the depraved, and the respectable aged are required to mingle in haphazard fashion. Legislation in Virginia looking to the establishment of district homes was enacted in 1918 and since then there have been established several consolidated homes, well planned, well equipped, well managed, and dedicated to the care of the aged poor. Though vigorously fought at first by local politicians, the idea has gained popular support and within a few years Virginia expects to be caring for all of its aged poor in seven or eight district institutions. Other states are beginning to take notice.

In another chapter Professor Hoffer indicts that other traditional and equally vicious institution—the county jail. District jails and prison farms should be substituted. There are chapters dealing with dependent, neglected, and delinquent children, with mothers' aid, with the juvenile and domestic relations court,—all of which are interesting, illuminating, and thought-provoking. These chapters are all supported by numerous tables depicting conditions in the six counties studied.

One may be a little disappointed that the book does not discuss some things which the title suggests, such as the consolidation of counties, city-county consolidation, and the effect of the suburban movement on the character of the county. That remains for someone else to do. The author has limited himself to a different but equally important subject, and has written a very stimulating book. It is not a volume of abstract reasoning but a study of social conditions as they exist in six Virginia counties, with living personalities as illustrations.

Paul W. Wager.

University of North Carolina.

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Neues Altona, 1919–1929. *Zehn Jahre Aufbau einer deutschen Grosstadt.* By Paul Th. Hoffmann. Jena: Eugen Diederichs Verlag, 2 vols., 1929, 1930. Vol. II, viii, 745 pp.

The first volume of this monumental work has already been reviewed in these columns.[1] The second and concluding volume is now at hand and merits additional comment. Like the first, it is well written, profusely and beautifully illustrated with some four hundred photographs and drawings, and attractively put together.

The book is divided into three main parts, the first of which deals with the character and significance of the great city in contemporary civilization. This is an able analysis of the problem of the *Grosstadt* in its relations to the instinctive, economic, aesthetic, mental, ethical, and spiritual characteristics and needs of the modern urban man. According to Dr. Hoffmann, it is the task of the great urban community to surmount its many complexities and difficulties and thus to make possible the "completion" (*Vervollkommnung*) of the potentialities of its inhabitants. The author does well to remind the reader that city government is not merely a matter of dollars and cents, of facts and figures, and of offices, boards, and committees. One must also seek after the ultimate *Sinn* and *Ethos* of the metropolis.

The second part of the work is devoted to education and schools, including kindergartens, libraries, and the numerous facilities for vocational training. The remainder of the book sets forth Altona's record in cultural attainments—its leading families, church life, poets, dramatists, novelists, painters, and sculptors, not omitting the important rôles played by the theaters, concert halls, and the like. There is also an interesting section on the City Archives, of which Dr. Hoffmann is the head.

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[1] National Municipal Review, April, 1930, pp. 255–256.

As stated in the previous review, *Neues Altona* is a noteworthy undertaking—one which American cities might well emulate as a stimulus to civic pride and civic achievement.

Roger H. Wells.

Bryn Mawr College.

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MUNICIPAL REPORTS

Austin, Texas. *Annual Report for Year 1929.* By Adam R. Johnson, City Manager. 89 pp.

The first thing that should be recorded about this report is its distinct improvement over the issue of one year ago. It is to be regretted, however, that it still follows the very unusual policy of including a detailed audit of the year's financial transactions. This audit consumes 27 pages as against 34 the year before. The balance of the report, which is given over to a résumé of departmental operations, is made interesting by a liberal number of attractive pictures, some well-prepared maps, and a few charts.

The foreword enumerates the accomplishments since the advent of the council-manager plan of government in 1926. Included therein are: creation of a finance department and installation of a centralized accounting system; collection of over $38,000 in interest on daily bank balances; increasing of salaries in both police and fire departments and the placing of the latter on the double-platoon system; reducing the fire insurance key rate 8 cents, thus effecting a saving of $30,000 in insurance premiums; and reduction of 30 per cent in light and power rates at the municipal plant.

This report could have been improved greatly by the inclusion of more charts and the placing of more emphasis upon important facts. This last criticism, however, applies quite generally to all municipal reports. A sentence or two should stand out on every page in order to emphasize a significant fact and to engage further the interest of the reader.

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Plymouth, Michigan. *Annual Report for Fiscal Year Ending December 31, 1929.* By A. J. Koenig, City Manager. 35 pp.

This little report is an excellent example of good reporting. The material is written well and logically arranged. The letter of transmittal is followed by a well-drawn organization chart accompanied with a short description of the municipal organization and the duties assigned to each unit. The next five pages are taken up by "1929—Review in Brief," which includes a section on "Problems and Needs." The balance of the report covers the following subjects with the given number of pages assigned to each: Village Commission, 2; Financial Review, 3; Public Improvements, 3; Public Works, 1½; Assessing Department, ½; Public Health, 1; Water Department, 2; Police Department, 1; Fire Department, 1; Legal Department, 1, and Treasurer's Statement, 4.

The chief criticism against this report is that it overlooks the possible use of charts, diagrams and comparative data in presenting certain statistics. After all, a report covering a certain period is pretty much a loss unless it is in some way related to previous periods. It should also be observed that a few facts about the city placed in a conspicuous place in the report add greatly to the interest. For example, this report contains the number of feet of twelve-inch sewer pipe laid in the streets, but the number of people for whose convenience the sewer system was constructed is not mentioned. Notwithstanding these criticisms, no small city should overlook this little report in considering a guide for its own publication.

Clarence E. Ridley.

REPORTS AND PAMPHLETS RECEIVED

EDITED BY E. K. OSTROW

Librarian, Municipal Administration Service

Report of the Property Tax Relief Commission of Oregon.—Salem, State Printing Department, 1929. 75 pp. This commission conducted an investigation along three lines: the equalization of the tax burden on real property; the adoption of indirect taxation to relieve real property of the state tax; and methods of reducing the local property tax. The report gives the results of these investigations. The recommendations deal not only with reorganization of the tax system, but also with improved methods of administration, such as uniform accounting and better budgetary methods, limitations on bond issues, etc. (Apply to Secretary of State, State House, Salem.)

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A Comparison of the Cost of Maintenance of Large and of Small County Boards in the United States.—By M. Slade Kendrick. Ithaca, N. Y., Cornell University Agricultural Experiment Station, 1929. 41 pp. This study of the cost of county government deals primarily with the cost of holding sessions of the county boards in ten states, and with the cost of special committee work of the boards in three of these states. Illinois, Michigan, and New York are stated as examples of states with large county boards, and Iowa, Montana and Kansas, as states with small boards. The cost of sessions of small boards on a salary basis is reported for Ohio, Indiana, Utah and Colorado, and the cost of special committee work is studied in Illinois, New York and Iowa. Full comparisons are made between the different systems. (Apply to the Cornell University Agricultural Experiment Station, Ithaca, New York.)

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The Social Philosophy of Pensions.—By Henry S. Pritchett. New York, the Carnegie Foundation for the Advancement of Teaching, 1930. 85 pp. This bulletin is a brief treatise on pensions for teachers, ministers, and members of the classified service of the United States. The first part deals with the philosophy of pensions, going into the economic and social considerations which underly any pension system. The relation of group insurance to pension systems receives some treatment. The second part is a review of the existing pension systems for the three groups listed above. (Apply to the Foundation, 522 Fifth Avenue, New York City.)

⁂

Report of the Commission on Revision of the Public Service Commissions Law (New York).—Albany, Legislative Document No. 75, 1930. 506 pp. In a previous issue of the REVIEW was given an account of certain proposed changes in the public service commission law of New York.[1] This report contains the official report of the Commission which made the recommendations summarized in that article. Briefly it is proposed, in part, to make certain readjustments in the utility rate bases in the state, and to create a "people's counsel," in order to make state regulation of utilities more effective. In addition to the report of the commission, a minority report, submitted by the progressive group on the commission and going much further, is included.

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Municipal Government and Activities of the City of Milwaukee for 1929.—Compiled and edited by the Municipal Reference Library, Milwaukee, Wisconsin. 108 pp. This report of the Milwaukee Common Council deals with the organization, expenditures and achievements of the various city departments, boards and commissions for the past year. In addition, there is a brief summary of the year's progress in municipal undertakings. (Apply to Miss Helen Terry, Acting Librarian, Milwaukee Municipal Reference Library, City Hall, Milwaukee, Wisconsin.)

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Municipal Bonds.—By C. F. Childs and Company, Inc., New York City, May 15, 1930. 8 pp. The purpose of this circular is to define the fundamental standards by which municipal bonds are judged so that the maximum interest return may be obtained in each instance in conformity with such standards. In addition to the general requirements for municipal bonds, this pamphlet contains a digest of the New York, Massachusetts, and Connecticut laws regulating savings bank investment in municipal obligations, and a list of state and municipal bonds legal for savings banks in those states. (Apply to C. F. Childs and Co., 51 Broadway, New York City.)

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[1] April, 1930, pp. 226–269.

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Guide for the Laying Out and Development of Subdivisions.—By the City Planning Commission, Erie, Pennsylvania, 1929. 38 pp. This report should be of interest to city officials, for it not only gives the requirements for the laying out of subdivisions in Erie, but also the laws of the state of Pennsylvania relating to city planning, zoning, and city planning commissions for all cities of the third class. (Apply to Department of City Planning, Room 14, City Hall, Erie, Pennsylvania.)

⁂

Zoning Progress in the United States; Zoning Legislation in the United States.—Compiled by Norman L. Knauss, Division of Building and Housing, Bureau of Standards, Washington, D. C., April, 1930. 51 pp. (Mimeographed.) Zoning legislation, zoning developments for the past thirty years, and the zoning laws of the various states are some of the outstanding subjects treated in this report of the Division of Building and Housing. (Apply to Department of Commerce, Division of Building and Housing, Washington, D. C.)

⁂

Survey of City Planning and Related Laws in 1929.—By Lester G. Chase, Division of Building and Housing, Bureau of Standards, Washington, D. C., May, 1930. 41 pp. (Mimeographed.) This is a brief summary of the city planning and related laws enacted during 1929 in the various states. In addition, there is a section dealing with the duties of a city planning commission under the standard city planning enabling act prepared by the Department of Commerce. (Apply to Department of Commerce, Division of Building and Housing, Washington, D. C.)

⁂

The Denver Plan, Volume I.—By the Denver Planning Commission, Denver, Colorado, 1929. 64 pp. Three primary elements of the Denver city plan are here set forth. These cover the basic needs of an adequate and efficient major street layout; a comprehensive system of city parks with connecting boulevards, and complete provisions for recreational facilities. The plans and suggestions of the city planning commission are made with an eye to future development, for they cover the period of years through 1950. (Apply to Meta C. Anderson, Secretary, Denver Planning Commission, 611 Eighteenth Street, Denver, Colorado.)

⁂

Recreation, Civic Center and Regional Plan, Riverside, California. (Parts IV, V, VII, and VIII of the Master Plan of the City.)—By the Riverside Planning Commission, June, 1929. 47 pp. This report presents several new parts of the master plan of the city of Riverside. Playground, school and recreational system, parks and parkways, civic center and public buildings, and the regional plan are all dealt with here. The text is well illustrated with maps, sketches, and photographs. (Apply to Riverside City Planning Commission, Riverside, California.)

⁂

The Plan of Palm Beach.—Prepared under the direction of the Garden Club of Palm Beach, Florida, 1930. 26 pp. As the population of Palm Beach increased, it became necessary to improve traffic and recreational facilities of the city, and its street system. These are the problems handled in this report. There are elaborate sketches of proposed public baths, botanical gardens, boulevards and streets, all presented with the idea of enhancing the beauty, and at the same time the utility, of one of America's foremost playgrounds. (Apply to Mrs. M. R. McKinlock, President, Garden Club of Palm Beach, Florida.)

⁂

City Plan, Little Rock, Arkansas.—Prepared by John Nolen for the Council of the City of Little Rock coöperating with the City Planning Commission and the City Departments. 1930. 24 pp. The Little Rock plan deals with those physical aspects of the city, street traffic, development of airport facilities, growth of industries and commerce, for example, which, if attended to by the municipality, go far toward increasing its efficiency and beauty. The text is supplemented by maps and illustrations. (Apply to John Nolen, Harvard Square, Cambridge, Massachusetts.)

PUBLIC UTILITIES

EDITED BY JOHN BAUER

Director, American Public Utilities Bureau

New York Telephone Rates.—New York telephone rates were fixed by the Public Service Commission, as of May 1, and, for the time being, there is no active telephone litigation in the state—a condition not experienced for many years. Following the federal court's final decree in the protracted case,[1] the New York Telephone Company filed a new schedule of rates to be effective February 1, 1930. Before that date, however, the Commission fixed temporary rates which, generally, reduced by 20 per cent the increase that had been proposed by the company. It then continued its investigation, and on May 1, issued an order fixing the rates thereafter to be charged by the company.

The hearings before the Commission centered largely upon valuation—which, of course, had been the subject of dispute for, lo, these many years! The chief issue involved the deduction for depreciation. The company supported a rate base which started with the valuation as found by the court as of July 1, 1928, plus net additions made since, without deducting any increase in depreciation that has taken place since.

The opposition (with some exception) insisted that the entire depreciation reserve should be deducted from the gross valuation of the properties. The company has always included large charges to operating expenses for depreciation, because of the rapid obsolescence and inadequacy of the properties. These charges were approved by the federal court, which held also that, under the particular circumstances, the depreciation reserve thus accumulated is the best measure of actual depreciation of the property. This view was adopted by the Commission, which deducted the full depreciation reserve from the gross valuation. The company sharply disagrees with this view, although it defends its charges for depreciation to operating expenses. It has taken an exception to the federal court's finding on this matter, and moved for an appeal to the Supreme Court. It argues that the deduction should be limited to the so-called "observed" depreciation—a much lower figure, although the reserve has been accumulated on the basis of charges claimed to be necessary to meet the obsolescence and inadequacy of the properties.

With regard to the gross valuation (prior to the deduction for depreciation), the Commission started with the reproduction cost as fixed by the court after July 1, 1926, then added gross additions, and subtracted the cost of properties retired. While this method, perhaps, furnished the most feasible course at the time, the Commission has thus allowed substantial sums for which there is probably no present justification. Of the total properties existing in 1926, 90 per cent had been installed during the high-price period during and after the war. The court allowed as reproduction cost, $82,000,000 more than actual cost. It considered the then high level of prices, and believed that the trend was upward. But, since 1926, there has been a shift, and there has been a distinct downward movement. With respect to copper, which is an important item in telephone properties, the price had been "pegged" for a considerable time at 18 cents, but during the course of the hearings before the Commission it fell to 14 cents, and has since moved lower. If there was justification in 1926 for a higher reproduction cost because of the then prospects, there is reason now for eliminating the excess under present conditions. The change in prices was ignored by the Commission—and this shows how difficult it is to obtain a reduction in valuation when once a figure has received judicial sanction. In *theory*, reproduction cost is flexible with changing prices, but *actually* it has only a chewing-gum flexibility. It expands readily but does not contract—at least has never contracted so far as we know.

There is a second point as to which the gross valuation was determined against the interest of telephone users. While the properties were appraised at the higher reproduction cost as of 1926, all the retirements made since 1926 were deducted at the lower actual cost. To the extent, therefore, that 1926 properties have been retired, there is left in the valuation the difference between the actual cost and the 1926 reproduction cost. If, for example, certain apparatus had cost $1,000, but had been allowed a reproduction cost of $1,500, there is now left in the rate base $500, even though the property has been discarded from service. This factor applies also to the deduction of the depreciation reserve, which should have been written up in proportion as the higher reproduction cost exceeded the actual cost of the properties. The reserve was accumulated on the basis of actual cost, and would properly measure the depreciation, if the gross valuation were made at actual cost. Since, however, a higher reproduction cost was accepted, then the reserve should be increased in like proportion to present an equivalent amount in dollars for the depreciation that has taken place. This is not only the strict reproduction cost logic, but follows the recent Supreme Court ruling in the Baltimore case.[1]

---

[1] See March number of the Review for account of the New York Telephone case prepared by Nathaniel Gold.

The Commission authorized the schedule of rates which, in its opinion, would result in bringing 7 per cent upon the fair value as determined. In fixing the rate schedule, it approved in general the business rates as proposed by the company in the February 1 schedule, but ordered substantial reductions in domestic rates. It believes that the additional burdens are more easily absorbed by business users, and that the earlier differentials between domestic and business rates had been too small. This may not appear as an unwarranted view of the situation, but no evidence was presented to justify the relative shift in burdens between domestic and business users.

As to the increase fixed for business uses, there is room for valid criticism. The schedule places a much larger proportion of increase upon the small users than upon the large. In Manhattan, for example, the first block of 75 calls is increased by 26.3 per cent, while for the next block of 125 calls there is an actual reduction of 9 per cent. The schedule results in an indirect service charge of $2.25 per month per customer, which is probably not warranted. This falls heavily upon the small users, who do not get the benefit of the lower rates in the later blocks. Approximately 40 per cent of the business users in New York do not use calls in excess of the first block. No factual evidence was presented to the Commission for the greatly increased block differential. The disparity between the first and later blocks is so great that it appears grossly discriminatory against the small users.

It is too much to expect that New York will remain long without a telephone rate case—if the fact be overlooked that already the company has taken an appeal from the decision of the federal court.

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[1] See March number of the REVIEW, Public Utilities Department.

MUNICIPAL ACTIVITIES ABROAD

EDITED BY ROWLAND A. EGGER

Princeton University

Political Parties and Local Politics in Germany.—What about local politics as politics? Jefferson was practically the last Democrat in the United States to have definite views on municipal government. Andrew Mellon and Calvin Coolidge have expressed sentiments in this connection which have a highly Jeffersonian tint. Generally, however, the national political parties and even their state organizations are silent on the principles of local politics. In Germany the situation is entirely reversed. "At the outset it should be noted that local politics, both in and out of the city council, are largely shaped along national party lines. . . . This results from a number of factors: (a) Germany is a highly urbanized country, and many national problems are city problems; (b) the difficulties of the post-war years have made it necessary for national legislation—especially in regard to finance—more and more to encroach upon *Kommunal-selbstverwaltung,* thus further preventing a sharp separation of national and local issues; (c) the national parties themselves, *e.g.* the Social Democratic and Center (Catholic) parties cannot fulfill their purposes unless they actively enter the municipal sphere; and (d) the electorate which chooses the city council is the same—except for the residence requirement in local elections—as that which elects the *Reich* and the state legislatures, an additional obstacle to organizing separate parties for national and local politics."[1]

The national political parties of Germany have in most instances programs relating to local politics and administration. Those of the German Democratic and Social Democratic parties involve directly the right of organization, and the activity of such organizations, of public servants. The People's party has taken a decisive stand upon one of the most delicate problems in German local government today—*selbständigkeit* and *selbstverwaltung.*

Probably, however, the most important phase of German national political activity in local politics is not concerned directly with local issues. Each of the national parties maintains a central organization for the purposes of disseminating propaganda and information. The work of these central bureaus has frequently been significant. Their documents and pamphlets are attractively presented, rather accurate and fair, and extremely useful for scientific purposes. It would not be too much to say that the bulk of reform literature is prepared and distributed by these central organizations.

The problems and issues discussed are not restricted to administrative organization and the extension of municipal functions. They are concerned with discussions of social welfare, charities and correction reform, women's rights, religious freedom, religious instruction in schools, health administration and public medicine, finance and taxation reform, and cognate subjects.

The activity of German political parties in local politics and administration may indicate one reason for the experimental and pragmatic tone of German local administration in recent years. It may explain also Dr. Norden's bitter reflection upon the over-politicizing of German local government. This is not a brief for either point of view. As Dr. Munro insists, there is danger in an over-interested electorate. At the same time, propaganda for governmental reform, for the reason that it is organized on a scale which permits it to reach, in some fashion and degree, into the sedimentary levels of political thought, is exactly that much more effective than in the United States where reform remains, with the exception of the Anti-Saloon League, essentially an upper-class occupation, which has difficulty in gaining and retaining the ear of the common man.—*Der Städtetag* (March 3, 1930).

*

Wasmuths Monatshefte für Baukunst und Städtebau, May, 1930, Berlin.—In the city planning section of this recently consolidated magazine there is a description, with illustrations, of a new city planning "movie," entitled "*Die Stadt von morgen,*" by M. v. Goldbeck and E. Kotzer. Among other things, the unregulated growth of a district from country village to overgrown, jumbled industrial region is graphically portrayed as though seen from an airplane, and in contrast the same area is shown growing according to plan, with separate industrial and residential quarters, adequate park strips penetrating to the center of the community, and in the last phases a ring of satellite towns separated from one another and from the central city by an extensive farming and forest belt. The editor, Werner Hegemann, points out the great value of such a film for school and propaganda purposes.

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[1] Wells, R. H. "Partisanship and Parties in German Municipal Government," in this REVIEW, Vol. XVII, p. 474 *et seq.* (August, 1928).

Arthur C. Comey.

⁂

The Oxford Summer School for Councillors and Officers.—The National Association of Local Government Officers has probably offered no project more ambitious in purpose than the summer school to be conducted at Keble College, Oxford, from August 2 to 16 of this year. It will offer a "unique opportunity for officials from all parts of the United Kingdom, members of local authorities and students to increase their knowledge and appreciation of the foundations, structure, and history of local government at home and abroad. The main work of the school will revolve around a series of lectures to be given by eminent University lecturers, each of which will be followed by a general and open discussion. In addition, there will be group discussions on topics of departmental interest. . . . The purpose of the school is to open out new avenues of thought so that the established officer may break away from the routine of his department and reëxamine the 'why' of his job, and its place in the body politic, without being harried by the worrying details of its 'how.'" (I. C. M. A. and N. M. L., please copy.)

The program of lectures is as follows:

1. Harold Laski, of the University of London, will deliver the inaugural lecture.

2. William A. Robson, barrister-at-law, will deliver a series of three lectures on August 4 and 5 on "The Law of English Local Government."

3. Mr. Robson will also deliver three lectures on the same days on "The Structure of English Local Government."

4. Dr. H. Finer will continue the addresses on "The Structure of English Local Government," offering lectures on August 7, 8, 11, and 12.

5. K. B. Smellie will lecture on the "Relations between Central and Local Government" on August 13, 14, 15.

6. "The Experience of Germany," one lecture by Dr. Finer, August 8.

7. "The Experience of France," one lecture by Mr. Smellie, August 14.

8. "The Experience of the United States," one lecture by Mr. Smellie, August 15.

During the session informal addresses will be given also by Miss Susan Lawrence, Parliamentary Secretary to the Ministry of Health; Mr. G. Montagu Harris, of the Ministry of Health; Mr. J. J. Clarke, the well-known writer on local government; and Mr. C. J. Jackson, Solicitor and Parliamentary Agent of the N. A. L. G. O.

Coming somewhat in the nature of a recapitulation of occurrences since the Local Government Act of 1929, the summer school should be of especial interest to foreign students seeking a synthesis of English local government under the revised statute. The cross currents of academic, professional, political, and crank points of view which such conferences produce are unfailingly delightful and informative.—*The Municipal Journal*, May 9, 1930.

NOTES AND EVENTS

EDITED BY H. W. DODDS

Town and County Apportionment Up Again.—Of late the rural sector of the state of Michigan has been considerably "het up" over the so-called Detroit plan of reapportionment.

In a nutshell, the idea is that each community will have the same percentage of representation in the house of 100 members and in the senate of 32 members that it has of the total population of the state. Control of the legislature would thereby lie in the hands of counties in the Detroit region, or at least in the hands of the big cities of Michigan. Withering blasts from the smaller communities pronounce the plan most "un-American"—that word so often applied these days to things distinctly and even uniquely American.

As a matter of fact, Detroit probably has no more idea of getting its plan adopted than has a mole of sprouting wings. It is put forth as a basis for argument, and the hope of the "city fellers" is simply that their rural brethren will be shocked into some kind of compromise.

Michigan is not alone in its troubles on this score. In Illinois, threats of the secession of Chicago from the state of Illinois have been thundered forth by no less a person than Professor Charles E. Merriam of the political science department of the University of Chicago, who could hardly be charged with political demagoguery.

Howard P. Jones.

⁂

A Program for County Government.—The Taxpayers' League of St. Louis County, Minnesota, is offering the following program for the improvement of county government:

1. Home rule for counties—so that counties can adopt by referendum vote a system of administration suited to their needs.
2. A county highway program—so that land settlement can be concentrated, and the high cost of serving scattered settlers definitely curtailed.
3. A redistribution of many county functions to areas combining several counties—so that duplication of administrative costs can be eliminated and service more adequately rendered.
4. The budgeting of capital outlay over a ten-year period—so that improvements may properly be balanced against each other, and resources conserved for projects that definitely contribute to the municipality's economic welfare.
5. A pay-as-you-go policy for financing elementary school construction.
6. An increase in license and permit fees—so that the entire cost of the service is paid by the direct beneficiary.
7. Improvement of the method of assessing personal property.
8. The employment of special assessment methods for financing neighborhood parks and play areas, etc.
9. Concentration of municipal services in developed areas, and the discouragement of the opening of new areas.
10. The adoption of a unit school design that will stabilize standards and prevent unconscious development of competitive school construction.

⁂

To Study Traffic as Guide to Road Tax Policy.—In an effort to determine how much of the cost of local roads in Michigan should be paid by local taxpayers and how much should be spread over the state, the bureau of public roads of the U. S. department of agriculture, in cooperation with the Michigan state highway department, is making an origin-and-destination traffic survey on all roads, local as well as main state highways, in sample townships in the 83 counties in the state.

The survey will show to what extent the local roads of each local taxing jurisdiction are used by traffic originating within and without these jurisdictions, and will serve as a basis for distributing public moneys now being made available for highway improvement. The amount of tourist traffic in the state will also be determined.

The survey began on July 1 and will continue for one year. After this the same agencies will make special studies, for one month, in seven cities, Ann Arbor, Detroit, Flint, Grand Rapids, Jackson, Lansing, and Niles, to determine the relative use of city streets by city vehicles and by vehicles owned outside the cities. These studies also will serve as a basis for taxation.

⁂

Dublin's City Council.—By a majority of twenty-one, Dail Eireann, has recently passed the final stage of the Greater Dublin Bill. Since its introduction the proposals embodied in the latest act of importance to be adopted by the legislature of the Irish Free State have undergone some modification, but in broad outline the scheme has been adopted which had the support of the department of local government and public health. Rathmines and Pembroke, with their higher ratable value, are brought into the city area; but for their inclusion a substantial price has been paid. The electors are divided into classes, after the manner of the old Prussian distribution of the franchise. Ratepayers of Dublin with the right to be included in the Commercial List will have an electoral power six times greater than the citizen of the Free State capital earning his livelihood by manual labor. The Irish people are in the position to decide, with accuracy, on the system most likely to preserve the new city council from those who might regard that authority as an institution for the distribution of largesse.

In Great Britain, where such a restriction could be called into being only to counteract the results of indiscriminate outdoor relief, it will be the general opinion that the Dublin experiment requires care and vigilant examination.

The appointment as city manager of Mr. Gerald J. Sherlock, the former town clerk, offers adequate guarantee that the break with the past is not to be so violent that the whole weight of the new administration is thrown on to the side of the propertied interests with multiplied electoral power. On the other hand, the view that the Act makes the council definitely subordinate to the manager, and that the chief official of the city must, inevitably, be the recipient of many suggestions not to be distinguished from log-rolling and administrative impropriety, is held in quarters in Dublin where theoretical doctrines of political equity find short shrift and no favor. The position in that city, as in Cork, demonstrates that every citizen can participate in the representative system only where the community is free from corruption. It remains to be seen whether inequality in the value of the vote where the local government franchise can be exercised by every adult, provides a remedy, or merely opens the door to other evils not less pernicious.—*Municipal Journal and Public Works Engineer.*

⁂

Corrections in Bonded Debt Tables.—The following corrections should be made in the Bonded Debt tables which appeared in the June (1930) REVIEW:

Toledo, Ohio (26th city). The total gross bonded debt should read, $41,225,491; the total sinking fund, $5,112,373; the total net bonded debt, $36,113,118; excluding self-supporting, $34,431,118; and the per capita bonded debt excluding self-supporting, $109.93.

Denver, Colorado (28th city). The total gross bonded debt should read, $45,542,200; and the net bonded debt, $45,265,234.

C. E. RIGHTOR.

⁂

The Chicago Traction Settlement.—By a vote of nearly six to one, Chicago at a special election on July 1 approved the traction settlement plan proposed by its city council. The vote was 325,468 for and 58,212 against the measure, an aggregate poll of 28 per cent of the total registered vote. The measure carried by large majorities in practically all of the city's fifty wards.

Two circumstances explain the success of the measure: widespread support from practically all interests, and the eagerness on the part of the public to have a constructive settlement of the traction problem which has been the football of local politics for more than a decade. The ordinance had practically the undivided support of the press, the business and commercial interests throughout the city; both political parties actively worked for its adoption; the dominant labor groups favored it and more than 250 commercial, civic and neighborhood associations formally endorsed the measure. The opposition lacked leadership which commanded public confidence and support. During the forty-day campaign, however, the issues involved in the ordinance had a fair and thorough airing in the public press.[1] Both sides of the issue were printed simultaneously in practically all of the major dailies. One paper, for example, devoted four full columns on the second page each day to articles for and against the ordinance, although the paper itself urged its readers to vote "Yes or No" on the measure.

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[1] For details of the ordinance and arguments pro and con see NATIONAL MUNICIPAL REVIEW for July, pp. 495–6.

Undeniably the public demand for a settlement of the traction problem as the only means of obtaining greatly needed transportation facilities in the outlying districts was a large factor in the final result. Transportation facilities have lagged far behind urban growth in outlying districts. It was these sections which saw in the ordinance relief from wellnigh intolerable inconvenience.

Translated into practical terms the ordinance provides: consolidation of the present surface and elevated lines; universal transfers from elevated to surface lines and a charge of three cents from surface to elevated (the elevated fares are now ten cents and the street car fares are seven cents); the creation of a transit commission, appointed by the mayor with the consent of the council, with full jurisdiction over traction matters within the city and within a zone of thirty miles beyond; a subway system in the central business district to be built by the city and leased to the operating company; and pledges of the operating company to spend $65,000,000 for improvements within the next three years and $200,000,000 within the next ten years. The new company has 120 days in which to accept the ordinance. The improvements specified in the ordinance are 2,000 new cars, 300 miles of surface lines extensions, and 110 miles of additional single-track elevated. The new trackage will increase the facilities of the surface lines by 30 per cent and those of the elevated lines by 56 per cent.

The ordinance fixes the capital value of the unified system at $260,442,063.82 and the annual return to the city at 3 per cent of the gross operating receipts. This return, however, is junior to certain operating expenses, interest on bonded debt, any sinking fund requirements and dividends on preferred stock. The ordinance also grants the operating company a permit which may be terminated by purchase. By giving six months' notice the city or its permittee may purchase the property of the consolidated system at the capital value fixed in the ordinance, namely the $260,442,063.82, plus the cost of additions, extensions and betterments.

Edward M. Martin.

⁂

Detroit Moves to Recall Mayor.—After being elected mayor of Detroit on the advance assumption that he was "honest even though inexperienced in municipal affairs," Charles Bowles, who had campaigned for the office five years and been repeatedly defeated, began his administration last January, enjoying the good will of practically all public agencies, civic organizations and political factors. But a combination of vicious influences, evidently taking advantage of Mayor Bowles' inexperience, gradually assumed control of his administration. So many flagrant errors of judgment followed, including discharge of appointive department heads, that a movement under Michigan Law to recall him from the office of mayor has become the dominant issue in Detroit.

Thus far the issue has not been lifted into the clear air of actual facts, viewed from the nonpolitical standpoint of business administration. The recall movement fundamentally is at this time a legal and political controversy left over from the bitter campaign of last year. It is rife—many would say "rotten"—with charges and counter-charges, including the general suspicion that subterraneous forces, inspired by the most vicious sort of grafting gangsters, are seeking to secure permanent control of the government of the city.

John Gillespie, whose adroitness in political maneuvering has been known in Detroit for many years, appears to be the brains of the Bowles administration just now. Having failed of appointment as police commissioner, a position in which two different men have been tried since February 1, Gillespie was made commissioner of the important department of public works. From this strategic position he and a few other leaders in the Bowles administrative group are fighting in the courts the efforts to stage a recall election. Thus far apparently the recall movement has been sponsored and financed by former political opponents of Bowles. Citizens of prominence, recognized as independent politically, are remaining aloof, waiting to see the result of the legal controversy over validity of the recall petitions.

At this writing the case of the recallers has successfully made the hurdle of decisions in the Wayne Circuit Court and the Michigan Supreme Court. Unless further delay can be accomplished by a present appeal to the federal courts, apparently the question of recalling Mayor Bowles will go to a special election within the next thirty or forty days.

In case the majority is against Mayor Bowles, he will then be automatically one of several candidates within thirty days at a second special election to choose his successor. The fall primary in Wayne County and Michigan will be held September 9, with a large ballot to be faced by voters in the party field.

Unprejudiced Detroiters feel that the political welfare of the city hangs in the balance. It seems generally accepted that Mr. Bowles' inexperience has been fatal to his administrative success, but meantime no outstanding citizen has appeared who is willing to accept the hazard of a recall election under the bitterly controversial conditions which prevail. The Detroit Citizens' League has a committee at work, drafting charter amendments to provide a city manager plan.

W. P. Lovett.

⁂

The International Union of Cities held its annual conference last month at Liège and Antwerp. Senator E. Vinck is the secretary general of the Union. His address is 3 Rue de la Régence, Brussels.

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THE CITY MANAGER PLAN AT WORK

What Those Who Live in Manager Cities Think of Their Government

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A MODEL
COUNTY MANAGER LAW

Submitted by the
COMMITTEE ON COUNTY GOVERNMENT
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* Dr. Kilpatrick suggests that inasmuch as the present manager plan is not an ultimate form of government, county administration requires a structure adapted to its distinctive needs, without a too literal borrowing from the reorganization schemes of states and cities.

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FOREWORD

County government, so aptly termed "the dark continent of American politics," has, until recently, held little lure for the explorer. As compared with the literature of city, state, or national government, that of county government is so negligible as almost to be lost among the shelves.

The search for ways and means of reducing the ever-increasing burden of local taxation, however, has finally led to serious investigation of the headless and inefficient organization of the county. Movements for improvements in county government are now under way in more than a dozen states.

Faced with an ever-increasing number of inquiries as to "the way out" of the labyrinth, the National Municipal League in May, 1929, appointed a committee on county government to study the problem and make recommendations. The model county manager law presented herewith is the result, therefore, of more than a year's work.

The committee makes no pretense of presenting a complete solution to all the problems of county government. The committee has not yet finished its work. This model law does represent, however, in the opinion of members of the committee, the first practical step to be taken toward a solution.

In drafting such a law, the committee faced an almost insurmountable task, on account of the wide variation in the titles and functions of county officers of the various states. It should be appreciated that the model law is a model simply in the sense that it may serve as a guide for those interested in improving county government in their states. The committee fully realizes and expects that specific provisions may have to be modified somewhat to suit local conditions. In general, however, the bill represents the best thought of the outstanding experts on county government in the country.

The committee is deeply indebted to its secretary, Dr. Paul W. Wager of Chapel Hill, N. C., and to its chairman, Prof. John A. Fairlie of the political science department of the University of Illinois, Urbana, Ill., both of whom have given freely of their time to the arduous work of draftsmanship and revision.

Howard P. Jones, *Editor.*

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MODEL COUNTY MANAGER LAW

INTRODUCTION

In the organization of county government the board of county commissioners should be the central governing body, with the power to control and supervise the different departments of the government, to levy taxes, and to control the finances of the county.

Increasing volume and complexity of county business, however, make it difficult for the policy-determining body to perform or to supervise the administrative tasks. The board of commissioners, therefore, needs a competent whole-time executive agent to carry out its orders, to make investigations, to coördinate the activities of the several departments, and to act as the administrative head of the government.

CLASSES OF COUNTIES

Counties may be divided roughly into three classes—the urban, the urban-rural, and the rural. The first class contains those counties whose territory and population are completely or largely included within the corporate limits of a single city. The urban-rural counties are those which contain one or more cities of 10,000 or above but also have a considerable amount of rural territory. The third class includes the counties which do not have a single town with as many as 10,000 people.

The problems of the urban counties are so closely related to the cities with which they so nearly coincide that the problem of county and city government should be considered together. The plan of consolidated city-county government proposed for Butte and Silver Bow County, Montana, indicates one method of solution.[1]

Urban-rural counties vary so in size and constituency that no single form of government can be recommended. For such counties, where there are several cities and a relatively small rural population, there might be a classified law, or special charters adapted to the particular conditions. For counties preponderantly rural, with only one or two small cities, the plan of government need not depart greatly from that recommended for the rural counties. Possibly a larger county board should be provided and the city or cities should be assured adequate representation thereon. Possibly a larger number of departments should be established and perhaps the board given a larger grant of ordinance-making power than in strictly rural counties.

A majority of the counties in every state are of the third, or rural, type. Probably most of them contain some incorporated places, but none of them populous enough to dominate the county. Often, there is one principal town which is the trade center for the entire county and is thus a unifying influence.

The constitutions of many states have limited the counties to a single form of organization. This has been extremely unfortunate, for the needs of an urban county may be quite different from those of a rural county. The same is true to a lesser extent as between the urban-rural counties and the counties which are strictly rural. There is unquestionably a need for considerable flexibility of organization within and between the first two classes of counties. But there does not seem to be a need for any fundamental differences in organization among the counties of the third class. Great variety in the form of government of similar counties is quite as obstructive to good administration as rigid uniformity among dissimilar counties.

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[1] See "The Butte-Silver Bow County Consolidated Charter, a New Deal in Local Government," by A. R. Hatton. NATIONAL MUNICIPAL REVIEW, 12: 310. (June, 1923.) The Pittsburgh federal plan is another method to which attention may be called. NATIONAL MUNICIPAL REVIEW, 18: 426, 529. (June, August, 1929.)

Although the rural counties differ considerably in area, topography, total population and density of population, these differences do not call for fundamental differences in governmental structure. In fact the special needs of each county can be better cared for by giving the county a large degree of autonomy in the details of administration than by enacting elaborate and detailed legislation. Some states are suffering from an annual or biennial grist of local legislation quite as much as others are suffering from constitutional strait-jackets.

LEGAL STATUS OF THE COUNTY

In most states a county is not recognized as a full municipal corporation. It performs some functions for the state and some on its own initiative. It is thus an administrative district of the state and also a unit of local self-government. To the extent that it is an agency of the state there is strong argument for uniformity in organization and procedure. As a unit of local self-government it needs the stimulation which comes from being able to compare its performance with that of other counties. This makes it desirable that there be a uniform functional organization of county administration and a common nomenclature in accounting. It does not necessitate an equal number of administrative departments in each county. As a unit of local self-government the county should be free to make experiments in the interest of economy or efficiency without disturbing its organic structure.

ADVANTAGES OF THE COUNTY MANAGER PLAN

The managerial form of government seems to meet these requirements better than the present decentralized form of county government. The manager plan permits adaptations in administrative arrangements to fit local conditions. It allows the substitution of one general statute for a multitude of local laws without the risk of introducing either too much uniformity or too much flexibility.[1]

THE MANAGER'S JURISDICTION

Common to most counties are certain governmental functions or activities which are strictly administrative in nature, which need to be coördinated, and which may quite properly be placed under the supervision of a county manager. They are (1) the assessment of property; (2) the collection of taxes; (3) the accounting for, and custody of public funds; (4) the purchase of supplies; (5) the care of public property; (6) the keeping of public records; (7) the construction of highways, bridges, and all public works; (8) the employment of prisoners; (9) the care of the poor and other welfare activities; (10) public health work; (11) certain promotion and development activities; and so far as possible, (12) policing, and (13) the business aspects of public education, including the transportation of school children. This leaves out of the picture education in its academic aspects, elections, and the administration of justice.

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[1] *The County Manager Plan*, by Richard S. Childs, published by the National Municipal League, 261 Broadway, New York City. 24 pp.

In most cities education has been left outside the jurisdiction of the city manager, for the reasons that it is a specialized field, has its own organization and administrator, and is related more closely to the state than to the other city departments. County school systems can be left outside the jurisdiction of the county manager for the same reasons. There should probably continue to be a separate board of education which appoints the superintendent and shapes school policies. There are certain phases of school administration, however, which might come under the supervision of the county manager. Among these are the transportation of school children, the purchase of fuel and other supplies (except textbooks), and the care of school property. Certainly, all school disbursements should clear through the central accounting office and all school funds should be subject to the same control as other funds.

The conduct of elections is left outside the control of the manager in order that there can be no ground for accusing him of political manipulations.

The courts are agencies of the state and should be kept entirely divorced from county business. Only to the extent that court officials handle county funds should they be responsible to the manager and to the county board. The sheriff in his capacity as a court officer, the clerk of court, and the coroner should be considered as state rather than county officers.

Opinions differ as to whether the manager's control should extend over agencies of law enforcement. The city manager's authority extends over the police department. But the sheriff and prosecuting attorney are primarily concerned with the enforcement of state law, and on this ground might be appointed by the governor or attorney general. In any case, constitutional provisions and traditional practice will make it difficult in most states to transfer the control of these officials to an appointed manager.

The county judge, where there is one, and the justices of the peace might be considered county officers, but since they are concerned mainly with the administration of justice, they are not a part of the business organization to which the manager's jurisdiction should be limited. Of course they should be accountable to the manager for any county funds which come into their hands.

THE SHORT BALLOT

The success of the county manager plan depends upon a full application of the short-ballot principle. Hence *an ideal county manager law would provide for the appointment by the manager of all the administrative officers within the scope of his supervision.* If the departments of education and justice are left outside his control, several states could adopt the county manager plan without constitutional amendments. In some states only one or two elective positions would remain within the administrative service, and in a few states none at all. A number of states could not adopt an effective manager system without changing the constitution.

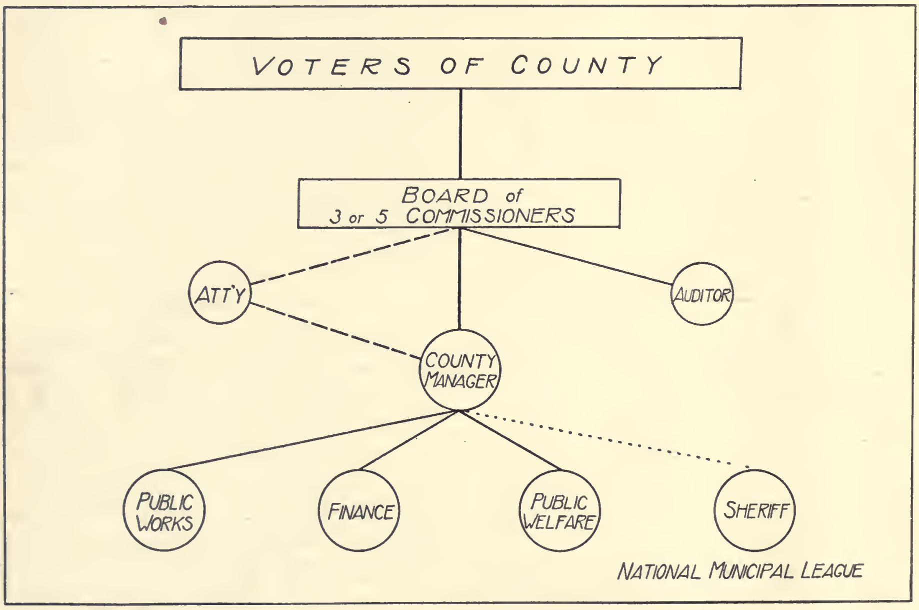
ORGANIZATION CHARTS

The two accompanying charts show diagrammatically a county manager plan for each of the two less populous types of counties—the urban-rural, and the rural. Urban counties may require more elaborate departmental organization under the manager. The main difference between the plan set up for the rural counties and the one set up for the urban-rural counties is that the latter provides a larger and more representative board. Additional administrative departments may also be desirable. In all other respects, the two plans are identical.

The only popularly elected officials should be a board of county commissioners or supervisors and a board of education. While it would not seriously cripple the plan if a few officers, fortified by the constitution, should temporarily remain on the ballot, eventually all administrative officers should be appointed.

In order that the counties of each class may compete for excellence in the various phases of administration, it is desirable that the work be classified according to functions and the accounts be kept by functions. It is desirable, too, that the administrators be chosen to fit the functions or activities rather than that the functions be distributed among a group of officers fixed by law. Some counties will have services to perform that others do

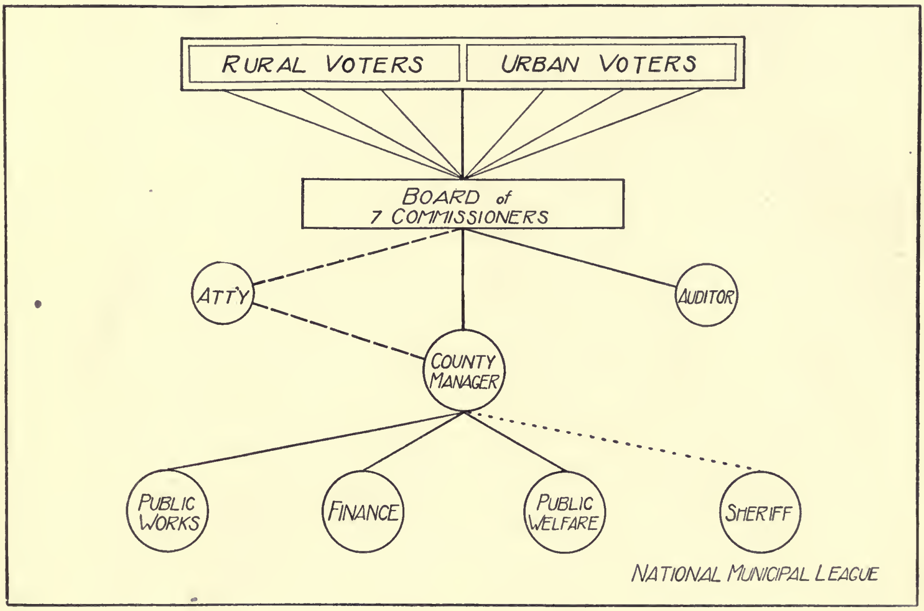
FORM OF GOVERNMENT RECOMMENDED FOR RURAL COUNTIES



Editor's Note.—The dotted line to the sheriff is used to indicate his unsettled status in the committee's plan. The committee was unanimous in believing that the sheriff should be appointed rather than elected, but differed as to whether he should be appointed by the state attorney general or by the county manager. See section 12, of the bill. The broken line indicates that the county board and the county manager share responsibility for naming the attorney, as he is the legal advisor both of the board and of the manager. No account of the local school organization is taken in the charts. Where education is a county function, school authorities should generally utilize the legal, financial and engineering services of the regular departments. See section 19. Neither do the charts include the prosecuting attorney, who probably should be appointed by the state attorney general; nor the courts, which fall outside the jurisdiction of the manager. See section 11 of the bill.

not have but there are a number of activities, as indicated above, which are common to most counties. Generally, there will not need to be as many officers as there are functions. In a typical rural county it should be possible to group all the ordinary activities into three departments with a full-time administrator over each department, the county manager himself being responsible for one department. The county manager should direct the department for which his training and talents best fit him, and he should select for the other departments directors with the particular qualifications needed.

FORM OF GOVERNMENT RECOMMENDED FOR URBAN-RURAL COUNTIES


RURAL VOTERS
URBAN VOTERS
BOARD of 7 COMMISSIONERS
ATTY
AUDITOR
COUNTY MANAGER
PUBLIC WORKS
FINANCE
PUBLIC WELFARE
SHERIFF
NATIONAL MUNICIPAL LEAGUE

See editor's note under chart on previous page.

The county board should have the power to prescribe, distribute, or discontinue the functions and duties of departments and offices which it has established. It should have the right, upon the recommendation of the manager, to transfer an activity from one department or division thereof to another, or to add to the duties thereof.

The draft of the law which follows does not attempt to cover all phases of county government. It deals mainly with the county manager, his selection, qualifications, powers and duties. The principles of this act are applicable also to urban counties, but the organization will need to be somewhat elaborated.

AN ACT PROVIDING FOR THE ADOPTION OF THE MANAGERIAL FORM OF COUNTY GOVERNMENT

BE IT ENACTED BY__________________.

Section 1.

Any county in the state is hereby authorized to adopt a county manager form of government as herein defined, and in accordance with the procedure herein specified.

Section 2. Method of Adoption.

(a) Upon a petition filed with the county election board[1] signed by not less than 5 per cent of the whole number of voters who voted at the last general election asking that a referendum be held on the question of adopting the county manager form of government, it shall be the duty of the county election board to submit the question at the next regular election or call a special election for the purpose. If a special election is called it shall be held not more than sixty days nor less than thirty days from the filing of the petition, but not within thirty days of any general election. The question submitted shall be worded: "Shall the county manager form of government be adopted in ________ County?" In lieu of the petition, a resolution may be passed by the board of county commissioners and filed with the election board asking for a referendum, in which case the election board shall proceed as in the case of a petition.

(b) It shall be the duty of the election board to publish a notice of the referendum in a daily paper twice a week for a period of three consecutive weeks, or in case there is no daily paper of wide circulation in the county, then in a weekly paper for four consecutive weeks.

(c) If a majority of the votes cast on the question at the election shall be in favor of the county manager form of government, it shall go into effect at a date designated in the petition or resolution. Provided: that no elected official then in office, whose position will no longer be filled by popular election, shall be retired prior to the expiration of his term of office.

Section 3.

The powers of a county as a body politic and corporate shall be vested in a board of county commissioners and exercised in the manner provided in this act.

Section 4. Powers and Duties of the County Board.[2]

(a) The board of county commissioners[3] (hereinafter called the county board) shall be the policy-determining body of the county, and except as otherwise provided by law, shall be vested with all the powers of the county, including power to levy taxes and to appropriate funds.

(b) The county board is vested with full power to inquire into the official conduct of any officer or office under its control and to investigate the accounts, disbursements, bills and receipts of any county, district or township officer, and for these purposes may subpoena witnesses, administer oaths and require the production of books, papers and other evidence; and in case any witness fails or refuses to obey any such lawful order of the county board, he shall be deemed guilty of a misdemeanor.

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[1] Or other proper authority.

[2] The time has come when at least a limited measure of ordinance-making power should be conferred upon counties. This should include the power to make police and sanitary regulations, and the same planning and zoning powers as those granted to cities. The relation of county ordinances enacted under any such grant of power to similar ordinances enacted by the cities within the county needs to be carefully considered. Perhaps, at the outset, it would be wise to limit the application of county ordinances to territory outside the boundaries of municipalities within the county. Also, if ordinance-making power be conferred on the county board, provisions should be made by law for procedure to govern the introduction, passage and publication of such ordinances.

[3] Or corresponding body, such as board of supervisors, board of chosen freeholders, etc.

(c) The county board shall have power to preserve order in its sessions and for this purpose may enforce obedience by fines not exceeding five dollars, or by imprisonment in the county jail for a period not exceeding twenty-four hours.

(d) The county board shall have power to put all officers of the county on a salary basis, and to require all fees to be accounted for and paid into the county treasury.

(e) Whenever in any county adopting this act it is not clear what officer provided for thereby or under the authority thereof should exercise any power or perform any duty conferred upon or required of the county, or any officer thereof, by general law, then any such power shall be exercised or duty performed by that officer of the county designated by ordinance or resolution of the county board.

Section 5. County Board Not to Interfere in Appointments or Removals.

Neither the county board nor any of its committees or members shall direct or request the appointment of any person to, or his removal from, office by the county manager or any of his subordinates, or in any manner take part in the appointment or removal of officers or employees in the administrative service of the county. Except for the purpose of inquiry or in emergencies, the county board and its members shall deal with that portion of the administrative service over which the manager is responsible solely through the manager, and neither the county board nor any member thereof shall give orders to any subordinate of the county either publicly or privately. Any violation of the provisions of this section by a member of the county board shall be a misdemeanor, conviction of which shall immediately result in the forfeiture of his office by the member so convicted.

Section 6. Appointment of Manager.

(a) The county board shall appoint a county manager and fix his compensation. He shall be the administrative head of the county government, and shall devote his full time to this work. He shall be appointed with regard to merit only, and he need not be a resident of the county at the time of his appointment. No member of the county board shall, during the time for which elected, be chosen manager, nor shall the managerial powers be given to a person who at the same time is filling an elective office.

(b) The manager shall not be appointed for a definite tenure, but shall be removable at the pleasure of the county board. In case the county board determines to remove the manager, he shall be given, if he so demands, a written statement of the reasons alleged for the proposed removal and the right to a hearing thereon at a public meeting of the county board prior to the date on which his final removal shall take effect, but pending and during such hearing the county board may suspend him from office, provided that the period of suspension shall be limited to thirty days. The action of the board in suspending or removing the manager shall not be subject to review. In case of the absence or disability of the manager the county board may designate some responsible person to perform the duties of the office.

Section 7. Appointment of Subordinates.

The manager shall be responsible to the county board for the proper administration of all the affairs of the county which the board has authority to control. To that end he shall appoint all officers and employees in the administrative service of the county, except as otherwise provided in this act, and except as he may authorize the head of a department or office responsible to him to appoint subordinates in such department or office. All appointments shall be on the basis of the ability, training and experience of the appointees which fit them for the work which they are to perform. All such appointments shall be without definite term unless for temporary service not to exceed sixty days.

Section 8.

Nothing in this act shall be construed to repeal or counteract existing civil service provisions of the state law.

Section 9. Removal of Officers or Employees.

Any officer or employee of the county appointed by the manager, or upon his authorization, may be laid off, suspended or removed from office or employment either by the manager or the officer by whom appointed. Any director of a department or other officer who has been suspended or removed by the manager, within five days thereafter shall be given a written statement setting forth the reasons for dismissal, if he so requests. A copy of the written statement giving reasons for the dismissal, a copy of the written reply thereto by the officer involved, and a copy of the decision of the manager shall be filed as a public record in the office of the clerk to the county board.

Section 10. Right to Attend County Board Meetings.

The manager, the directors of all departments, and all other officers of the county shall be entitled to be present at all sessions of the county board. The manager shall have the right to present his views on all matters coming before the county board and the directors and other officers shall be entitled to present their views relating to their respective departments or offices. This right shall apply to all officers of the county whether elective or appointive.

Section 11. Powers and Duties of the County Manager.

(a) As the administrative head of the county government for the county board, the manager shall supervise the collection of all revenues, guard adequately all expenditures, secure proper accounting for all funds, look after the physical property of the county, exercise general supervision over all county institutions and agencies, and, with the approval of the county board, coördinate the various activities of the county and unify the management of its affairs.

(b) He shall execute and enforce all resolutions and orders of the county board, and see that all laws of the state required to be enforced through the county board or other county officers subject to its control are faithfully executed.

(c) He shall attend all meetings of the county board and recommend such actions as he may deem expedient.

(d) He shall appoint all officers and employees in the administrative service of the county, except as otherwise provided in this act and except as he may delegate that power.

(e) He shall fix, with the approval of the county board, the compensation of all officers and employees whom he or a subordinate appoints.

(f) He may remove such officers, agents, and employees as he may appoint, and he shall report every appointment or removal to the next meeting of the county board.

(g) He shall prepare and submit the annual budget, and execute the budget in accordance with the resolutions and appropriations made by the county board.

(h) He shall make regular monthly reports to the county board in regard to matters of administration, and keep the board fully advised as to the financial condition of the county.

(i) He shall examine regularly the books and papers of every officer and department of the county and report to the county board the condition in which he finds them. He may order an audit of any office at any time.

(j) He shall perform such other duties as may be required of him by the county board.

Section 12. Administrative Activities.

(a) The county manager shall be responsible to the county board for the administration of the following activities: (1) the assessment of property for taxation and the preparation of the tax roll; (2) the collection of taxes, license fees, and other revenues of the county and its subdivisions; (3) the custody and accounting of all public funds belonging to or handled by the county; (4) the purchase of all supplies for the county except those specifically excepted in this act; (5) the care of all county buildings; (6) the care and custody of all the personal property of the county; (7) the recording of deeds, mortgages and other instruments, and the entry and preservation of such other public records as the law requires; (8) the construction and maintenance of county highways and bridges; (9) the employment of prisoners;[1] (10) the care of the poor, the operation of county charitable and correctional institutions, and the other welfare activities; (11) public health work and the operation of the county hospitals; (12) any or all matters of property and business in connection with the administration of schools and other governmental units within the county which shall be delegated to him by these units with the approval of the county board; (13) such other activities of the county as are not specifically assigned to some other officer or agency by this act or by laws of the state subsequently enacted.

(b) These activities shall be distributed among the departments hereinafter described. There shall be a department of finance, a department of public works, and a department of public welfare; and the county board may, upon recommendation of the county manager, establish additional departments. Any activity which is unassigned by this act shall be assigned by the county board to an appropriate department, and any activity so assigned may, upon the recommendation of the county manager, be transferred by the board to another department.

(c) The manager shall appoint a director for each department provided for or authorized by this section, and he may, with the consent of the county board, act as the director of one department himself or appoint one director for two or more departments.

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[1] The committee was divided on the advisability of making the manager responsible for the administration of justice, permitting him to appoint the sheriff. The committee was unanimous in believing that this officer should be appointed rather than elected, but differed as to whether he should be appointed by the state attorney general or by the county manager.

The subordinate officers and employees of each department shall be appointed or employed by the manager, unless he chooses to delegate this power in particular instances to a subordinate officer.

Section 13. Compensation Established by County Board.

The county board shall establish a schedule of compensation for officers and employees which shall provide uniform compensation for like service. Such schedule of compensation may establish a minimum and maximum for any class, and an increase in compensation, within the limits provided for by any class, may be granted at any time by the county manager or other appointing authority upon the basis of efficiency and seniority records.

Section 14. Advisory Boards.

The manager may appoint a board of citizens qualified to act in an advisory capacity to the head of any specified department or office. The members of all such boards shall serve without compensation and it shall be their duty to consult and advise with the officer in charge of the office or department for which they are appointed but not to direct the conduct of such department or office.

Section 15. Preparation and Submission of the Budget.

On or before the ——— day of ——————— of each year the manager shall prepare and submit to the county board a budget presenting a financial plan for conducting the affairs of the county for the ensuing year. The budget shall be set up in the manner prescribed by general statute and shall be published prior to the date of adoption by the county board; but if there be no such statute, then in the manner prescribed by the county board upon the recommendation of the manager.

Section 16. Department of Finance.

(a) The director of finance shall have charge of the administration of the financial affairs of the county, including the budget; the assessment of property for taxation; the collection of taxes, license fees, and other revenues; the custody of all public funds belonging to or handled by the county; control over the expenditures of the county and its subdivisions; the disbursement of county funds; the purchase, storage and distribution of all supplies, materials, equipment, and contractual services needed by any department, office, or other using agency of the county; the keeping and supervision of all accounts; and such other duties as the county board may by ordinance or resolution require.

(b) No money shall be drawn from the treasury of the county, nor shall any obligation for the expenditure of money be incurred, except in pursuance of the annual appropriation ordinance or resolution or legally enacted supplement thereto.[1] Accounts shall be kept for each item of appropriation made by the county board. Each such account shall show in detail the appropriations made thereto, the amount drawn thereon, the unpaid obligations charged against it, and the unencumbered balance in the appropriation account, properly chargeable, sufficient to meet the obligation entailed by contract, agreement, or order.

(c) The director of finance shall either act as county assessor or shall appoint and have supervision over this official. The assessor and his deputies shall have the powers, qualify in the manner, and perform the duties prescribed by general law.

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[1] Where offices are operated on the fee basis such fees should be accounted for and paid into the general treasury and the board of commissioners empowered to specify the salary for such positions.

(d) The director of finance shall either act as tax collector and county treasurer or shall appoint and have supervision over these officials; provided, that in lieu of the election or appointment of a treasurer the county board may select and designate annually, by ordinance or recorded resolution, some bank or banks or trust company as an official treasury for the funds of the county. All moneys received by any officer or employee of the county for or in connection with the business of the county shall be paid promptly into the hands of the county treasurer or the bank or trust company acting as county treasury. Any bank serving as a depository for county funds shall be subject to such requirements as to security therefor and interest thereon as the county board may by ordinance or resolution establish. All interest on money so deposited shall accrue to the benefit of the county.

(e) The director of finance shall be charged with the keeping of all general books of financial and budgetary control for all departments and offices of the county. Report shall be made to him daily, or as often as he may require, showing the receipt of all moneys and disposition thereof. He shall submit to the county board through the manager each month a summary statement of revenues and expenses for the preceding month, detailed as to appropriations and funds in such manner as to show the exact financial condition of the county and of each department and division thereof. He shall submit once a year, or more often if the county board requires it, a complete financial statement showing the assets and liabilities of the county and of each of its subdivisions.

(f) The county board shall require an annual audit of the books of every county officer who handles public funds, to be made by an accountant who is not a regular officer or employee, and who is thoroughly qualified by training and experience. If the state provides an auditing service, whether at the expense of the state or the county, such audit may be considered as having satisfied the requirements of this section.

Either the county board or the manager may at any time order an examination or audit of the accounts of any officer or department of the county government. Upon the death, resignation, removal, or expiration of the term of any officer of the county, the director of finance shall cause an audit and investigation of the accounts of such officer to be made and shall report the results thereof to the manager and the county board. In case of the death, resignation or removal of the director of finance, the county board shall cause an audit to be made of his accounts. If, as a result of any such audit, an officer be found indebted to the county, the county board shall proceed forthwith to collect such indebtedness.

(g) The director of finance shall either act as purchasing agent or shall appoint and have supervision over this official. The purchasing agent shall make all purchases for the county in the manner, and with such exceptions, as may be provided by resolution of the county board. He shall have authority to make transfers of supplies, materials and equipment between departments and offices, to sell any surplus supplies, materials, or equipment, and to make such other sales as may be authorized by the county board. He shall also have power, with the approval of the county board, to establish suitable specifications or standards for all supplies, materials and equipment to be purchased for the county, and to inspect all deliveries to determine their compliance with such specifications and standards. He shall have charge of such storerooms and warehouses of the county as the county board may provide.

Before making any purchase or sale, the purchasing agent shall invite competitive bidding under such rules and regulations as the county board may by ordinance or resolution establish. The purchasing agent shall not furnish any supplies, materials, equipment or contractual services to any department or office except upon receipt of properly approved requisition and unless there be an unencumbered appropriation balance sufficient to pay for the same.

Section 17. Department of Public Works.

The director of public works shall have charge of the construction and maintenance of county roads and bridges, county drains, and all other public works; the construction and care of public buildings, storerooms and warehouses, and such equipment and supplies as the county board may authorize; and shall perform such other duties as the county board may prescribe.

Section 18. Department of Public Welfare.

The director of public welfare shall have charge of poor relief, hospitals, charitable and correctional institutions, parks and playgrounds, and public health; and shall perform such other duties as the county board may prescribe.

Section 19. Department of Education.[1]

(a) The county board of education and the county superintendent of schools shall continue to be selected and shall possess and exercise all powers as now provided by law except as otherwise provided by this act.

(b) The board of county commissioners shall pass upon the school budget and may strike out any item of expense not essential to the maintenance of the minimum standards set up by the state, but not until the county superintendent of schools has been heard on the purpose and need of such item.

(c) The county board of education and the county superintendent of schools may enter into agreement with the board of commissioners for the discharge of any of the school functions by or under the general direction of the county manager, such as purchase of supplies, maintenance and construction of buildings, etc.

Section 20. Legal Adviser.

The county manager may employ an attorney, endorsed by the county board, to serve as legal adviser to the county board and himself, to act as counsel for the county in any suit instituted by or against the county, and to perform such other duties as may be prescribed by the county board.

Section 21. Bonding of Officers.

The county manager shall give bond to the amount of not less than ———. The director of finance shall give bond to the amount of ———. In case the county manager serves also as director of finance, he shall give bond to the full amounts indicated above. The county board shall have the power to fix bonds in excess of these amounts, and to require bonds of other county officers in their discretion, conditioned on the faithful discharge of their duties and the proper accounting for all funds coming into their possession.

Section 22. Contract Interest Prohibited.

No member of the county board or other officer or employee of the county, or person receiving a salary or compensation from funds appropriated by the county, shall be interested directly or indirectly in any contract to which the county is a party, either as principal, surety, or otherwise; nor shall any such officer or employee or his partner, agent, servant or employee or the firm of which he is a member purchase from or sell to the county, any real or personal property, nor shall he be interested, directly or indirectly, in any work or service to be performed for the county or in its behalf. Any contract made in violation of any of these provisions shall be void.

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[1] Applicable only in those states where there is a county board of education, not possessing tax-levying power.

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THE LEAGUE'S BUSINESS

Baldwin Prize Awards.—The committee on award of the annual Baldwin Prize, consisting of William C. Beyer, Philadelphia Bureau of Municipal Research, Professor Frederick H. Guild, University of Kansas, and Professor Morris B. Lambie, University of Minnesota, has granted the first prize to Joel Gordon, of Harvard College. His topic was "Defects of Present-Day Manager Government." The Baldwin Prize of one hundred dollars is offered each year by the National Municipal League for the best essay on municipal government by a college undergraduate.

Two others received honorable mention for essays on: "The Division of Powers between the Central and Borough Governments in a Federated City."

Second place—Lowell Whittemore, Harvard College.

Third place—Harry Herbert Kleinman, Harvard College.

⁂

Frederick L. Bird Succeeds Welles A. Gray in Municipal Administration Service.—As announced on this page in July, Welles A. Gray, assistant director of the Municipal Administration Service, left the organization to accept a position in the Finance Department of the United States Chamber of Commerce. Mr. Frederick L. Bird has been appointed as successor to Mr. Gray. For the last year, Mr. Bird has been secretary of the Committee on Coal and Power, 70 Fifth Avenue, New York City, and meanwhile has been a graduate student at Columbia University. He is the joint author of two recent books, "The Recall of Public Officers" and "Public Ownership on Trial." For several years he was the head of the department of political science at Occidental College, Los Angeles, California. While in Los Angeles he did a great deal of research work in municipal government and is thoroughly conversant with the practical aspects of municipal administration.

⁂

American Legislators' Association to Join other Groups in 1930 Meeting.—The American Legislators' Association will join the National Municipal League and the other sponsoring organizations in the National Conference on Improving Government to be held at the Hotel Statler in Cleveland on November 10, 11 and 12. This decision of the American Legislators' Association will help to increase the attendance at the convention and will undoubtedly contribute to public interest in the program.

⁂

Appointment of Committee to Report on Advisability of Branch Organizations for the National Municipal League.—At the meeting of the League council in April of this year, a recommendation was made that the National Municipal League should change its present policy of being a unified organization and should, instead, become a federated organization with local branches. It was decided at that time that a committee should be appointed to work up a report upon which the council, at a future meeting, could base its decision with respect to this policy. The following individuals have accepted President Childs' invitation to serve on this committee:

Howard Strong, executive vice president, Wilkes-Barre Wyoming Valley Chamber of Commerce, Wilkes-Barre, Pa., *chairman*
Harold S. Buttenheim, editor, *The American City*, New York City
H. S. Braucher, secretary, Playground and Recreation Association of America, New York City
Lent D. Upson, director, Detroit Bureau of Governmental Research
H. M. Waite, Cincinnati, Ohio

Russell Forbes, *Secretary.*

NATIONAL MUNICIPAL REVIEW

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EDITORIAL COMMENT

City Managers' Convention Promises Attractive Program The International City Managers' Association will hold its seventeenth annual convention at the Palace Hotel, San Francisco, September 24 to 27. As is customary with the city managers, whose meetings have little in common with old-fashioned political junkets, the program calls for four days of strenuous work. Topics to be discussed from all angles include municipal finance, personnel administration, police administration, and government reporting. Stephen B. Story is president of the Association and Clarence E. Ridley is executive secretary. Hollis R. Thompson is chairman of the local committee on arrangements.

*

No Express Highways in Los Angeles Regional Plan Arthur Comey in his review of the Los Angeles County Regional Plan of Highways (NATIONAL MUNICIPAL REVIEW for July, p. 380) called attention to the omission of express roads from the plan. Director Charles H. Diggs of the Los Angeles County Regional Planning Commission writes to state that this omission was not an oversight but the result of careful consideration. The Los Angeles situation, he states, is different from that in other localities and highway design must follow original lines developed from a thorough analysis of their own peculiar problem.

Death of George B. Ford George B. Ford, director of the Regional Plan Association of New York and distinguished city planner, died in New York City on August 13, following a brief illness. Mr. Ford was a leader in the new profession of city planning and zoning, and had acted as consultant to scores of cities. His interest in regional planning lead him to become the first director of the Regional Plan Association. During the war he served with the American Red Cross and, as the head of its Reconstruction Bureau, had a prominent part in the rehabilitation of the devastated regions of France.

Mr. Ford was an advocate of the necessity of a well-conceived financial program as an integral part of any city plan, and as a professional planner took the lead in preparing long-term expenditure programs as a feature of his city plans. He was a frequent contributor to the REVIEW, one whose interests led him into many phases of municipal government. A man of fine ideals and a cheerful and generous friend, his death will come as a personal loss to the many who knew and loved him.

Meyer Lissner Again we have the sad duty to report the death of an old member and officer of the League, one who has left a rich record of civic accomplishment during an active professional life. Meyer Lissner died suddenly of heart disease in Los Angeles on July 29. His civic interests were too numerous to record here. For a number of years he was a member of the executive committee of the N. M. L., later becoming a vice president. When he came to Washington in 1921 to serve for four years as a member of the United States Shipping Board, he again saw service on our executive committee, retiring when he returned to California and became unable to attend the regular meetings of the committee. He was an organizer and later president of the Los Angeles City Club. He had been president of the Los Angeles Board of Public Utilities. At the time of his death he was a member of the California Industrial Accidents Commission which he helped establish in 1920. In politics he was a progressive Republican, having been in turn chairman of the Republican State Committee and member of the executive committee of the Progressive National Committee.

Mr. Lissner will be sorely missed for the charm of his personality and for his good works in the cause of civic and political betterment.

*

Another Victory over Billboards The victory of the City of Indianapolis over the General Outdoor Advertising Company in the Supreme Court of Indiana will be welcomed by the readers of this magazine. On June 27 the above court sustained the city's ordinance against the maintenance of billboards in certain locations as a proper exercise of the police power. The ordinance forbade billboards within 500 feet of any park, parkway or boulevard. Billboards lawfully erected before the ordinance was passed (July 8, 1922) cannot be removed against the will of the owner without just compensation, but for billboards erected after that date the prohibition is in full force and effect.

In sustaining the ordinance, the court said that æsthetic or artistic considerations are not sufficient, as the law stands today, to invoke the police power, but æsthetic considerations may enter in "to a great extent" where the regulation in question has a reasonable relation to the health, safety, morals or general welfare of the community. In noting that the prohibition extended only to areas in proximity to public parks and boulevards, the court said that such prohibition by virtue of the areas to which it extends "may properly have a relation to the public health, comfort and welfare which it would not otherwise possess."

The opinion of the court is significant in the attention it pays to æsthetic values. Aesthetics are still insufficient to justify an attempted exercise of the police power, but æsthetics may be considered in relation to health, welfare and morals. The fact that a proposed regulation considers æsthetic values will no longer be used in Indiana to discredit social legislation.

*

Unit Measurements for Street Cleaning and Refuse Disposal For some months the National Committee on Municipal Standards, composed of representatives of the National Municipal League, the International City Managers' Association, the Governmental Research Association, and the American Municipal Association, has been working on units of measurements for street cleaning, refuse removal and disposal.

Last October a tentative report by this committee was adopted in principle at the annual convention of the International Association of Street Sanitation Officials. Now with the appointment by the last named association of a committee on uniform street sanitation records, the establishment of standard measurements for reporting street sanitation activities seems assured.

Research to date suggests that the unit of street cleaning should be the curb-mile; since under present conditions the cleansing of streets is becoming largely a matter of cleaning along the gutter. If a machine is used the mileage will be determined by the actual distance which it travels along the curb line. If a flusher or hand method is used the curb-miles on both sides of the street will be totalled. Special computations will be made of street width and amount of water consumed. The main advantage claimed for the curb-mile basis as compared with the square yard measure is that unit costs are not distorted by the width of the street.

For the removal and disposal of garbage and other refuse, "tons of refuse" has been tentatively adopted as the standard unit of measurement. In view of the impossibility of estimating cubic yardage with exactness and because of the variation in weight of garbage from season to season and from locality to locality, weighing is considered the only reliable measurement. However, where it is impossible to weigh even sample loads of refuse, which is generally the case where the refuse is hauled to a dump, the committee provides that "cubic yards" may be employed as an alternative unit. An exception is made for catch basin cleaning for which cubic yards rather than tons is considered the preferable unit.

The items of expense to be included in the computation of unit costs will be set forth by the committee in its report, which will be submitted at the next convention of the International Association of Street Sanitation Officials at Louisville in October. The final report will include complete instructions for computing quantities of work done and its cost, as well as the means by which these computations can be converted into daily, monthly and annual reports.

There thus emerges one more constructive contribution from the National Committee on Municipal Standards, which has set for itself the difficult task of establishing units of measurement of efficiency in municipal government. Students have sometimes denied the possibility of ever attaining comparable efficiency measurements for government. But other bold spirits, conscious of the difficulties in their way and knowing the care with which any units of efficiency must be employed, have not feared to attack the impossible. From the pioneer work of the National Committee on Municipal Standards, measurements may be evolved which citizens can substitute for untrustworthy and misleading tax rates as a basis of comparison of the efficiency of municipal governments. Colonel Henry M. Waite is chairman of the National Committee, Clarence E. Ridley is secretary, and Donald C. Stone is director.

*

Public Works, Unemployment and City Planning

In the past the NATIONAL MUNICIPAL REVIEW has been skeptical of many of the proposals to beat the business cycle by accelerating the construction of public works in periods of unemployment. It was particularly fearful that President Hoover's appeal last winter would stimulate rash and improvident building, because so few cities or states had anything resembling carefully prepared programs of long term expenditures which would enable them to observe the President's injunction to exercise prudence. The danger was that the economies of sound financial methods and the advantages of an orderly prosecution of the city plan might be sacrificed in the stampede for new construction. At that time we pointed out that President Hoover would not have done his full duty until he had emphasized the necessity of long-term improvement budgets compiled in accordance with a comprehensive city plan.

We are glad now to record that the report of the Committee on Recent Economic Changes of the President's Conference on Unemployment is a fulfillment of this responsibility. This report is entitled "Planning and Control of Public Works." It is accompanied by a fact-finding study of the volume and character of governmental expenditures for permanent improvements in the United States. The factual study was made under the direction of Dr. Leo Wolman of the National Bureau of Economic Research. Both the report and the study are reviewed in this issue by Vernon A. Mund.

The committee believes that public works can be helpful in forestalling periods of unemployment, but the amount of new construction is less important than the timing of the acceleration. "If properly timed, as the pendulum of unemployment starts to swing in an unfavorable direction" the report states, "the influence of the prompt expedition of public works is effective out of all proportion to its size." The committee sets up no timing device to indicate to public officials when the acceleration should commence but contents itself with a discussion of the underlying economic forces which must be considered. Perhaps business men and economists can proceed to develop a simple index by which local units can be guided, but after the experience of the past two years we are doubtful whether such an index would be followed even if the government had the temerity to publish it. However, this is not to deny that progress is possible and the influence of the report, signed by distinguished persons whom the business world respects, will be instrumental in developing a popular understanding of the nature of unemployment cycles and the extent to which governments may lessen their severity by pushing public construction.

One of the principal theses of the report meets the unqualified approval of the REVIEW. "Long-range planning and budgeting" it asserts, "are necessary if the full value of public works as a stabilizing influence is to be developed." City and regional planning makes the task easier than it would have been a few years ago. It is not sufficient, the committee states, that each local government prepare its own capital budget. Where several local governments exist in the same region it is necessary that their programs be harmonized. The report correctly declares that little has yet been done in this respect, although there are conspicuous examples of overlapping or adjacent local units which have formulated a common plan and program.

We now have in the report of the President's committee an authoritative declaration of the conditions which surround the utilization of public works construction as an aid to unemployment. It is one more argument for the necessity of physical and financial planning.

HEADLINES

Mayor Bowles of Detroit, recently recalled from office by the huge margin of 40,000 votes, is still mayor and may be for some time, since under the Michigan law he holds office until his successor is chosen, and may also be a candidate to succeed himself. If enough candidates enter the race, there is a chance that the vote of the opposition may be sufficiently split so the mayor will keep on mayoring. The election is Sept. 9.

* * *

County taxes in Massachusetts are going up. An increase of $330,622.59, or 4.32 per cent, in county taxes for 1929 over 1928 is reported by the director of accounts. The amount of county funded debt issued during the year shows a decrease over the previous year of $632,000, or 53 per cent.

* * *

It's still being done! Comes now Delevan, N. Y., population 600, with an election to approve the issuing of long-term bonds to buy a new fire engine. Firemen were tired of going to conventions with the old town pumper. Long after the engine has ceased attending firemen's conventions, however, Delevan taxpayers will be paying for it.

* * *

Dallas, Texas, which has been flirting long with the manager plan, has reached the proposal stage. Tentative date for the election is Oct. 7.

* * *

A joint city manager for three of the foothill cities of California is the latest west coast suggestion. For this purpose, political union of the three cities—Los Gatos, Saratoga and Campbell—would not be necessary, in the opinion of the advocates of the idea.

* * *

What Will Rogers refers to as the "missing links" are causing city councils trouble. Why anybody should want to play "baby golf" at any time might be just cause for wonder. Nevertheless, ordinances are being rushed through at the petition of aroused citizens providing a midnight closing hour for miniature golf courses.

* * *

City Manager Story is still the issue in Rochester politics. All attempts to break the deadlock in the city council which resulted from the death of Mayor Wilson more than six months ago have failed.

* * *

Reduction of $3,415,000 in the valuation of the Portland, Ore., Electric Power Company is made by the Oregon public service commission. The higher value was placed on the property by the commission fourteen years ago. The new valuation cuts $10,600,000 from the value claimed by the company.

Four out of five amendments to the city charter of Toledo passed at the election last month. The amendment permitting home rule taxation by the city failed. Among the successful amendments are one permitting a vote on the renewal of a public utility franchise at any time, and one permitting regulation of competition in public utility franchises.

* * *

Movement for the city manager plan in Lexington, Ky., which was forced to abandon that form of government by the adverse decision of the state supreme court, is again under way following the repassage of the state enabling act last spring.

* * *

Man's feeble attempts at progress are sometimes not so feeble. Witness the drop in the typhoid death rate over a 20-year period. In 1910 the typhoid death rates per 100,000 population was 20.58 for 74 large cities. This figure dropped steadily, year by year, until 1929 when the rate for the same cities was 1.56.

* * *

A city official, duly elected to office, "must be paid whether he earns his salary or not," Chicago corporation counsel rules. Did they have to consult a lawyer to find that out?

* * *

County-owned power plant in Crisp County, Ga., succeeds so well that Georgia Power Company is forced to cut rates in half to meet competition. Now the corporation is ordered to show cause before the public service commission why rates throughout the state should not be similarly lowered.

* * *

A new way to solve the billboard nuisance! New York state plans to erect screens on state property in front of billboards constructed on privately-owned lands in the vicinity of the new mid-Hudson bridge. Billboard men are fighting the move.

* * *

Chopping the net investment claim of the Clarion River Power Company of Foxburg, Pa., more than half, the Federal Power Commission has made public a preliminary accounting report that will excite comment among those interested in public utility valuation. Among the items eliminated is one of $2,550,000 which covers a portion of profit resulting from the construction contract. The nigger in the woodpile was the fact that the contractor was affiliated with the Clarion River Power Company.

* * *

Alexandria, Va., where the Chamber of Commerce ordered 200 pounds of "rain powder" from Sante Fe, N. M., receives rain before the powder arrives!

Howard P. Jones.

THE CITY MANAGER MOVEMENT IN ST. PAUL

BY HERBERT LEFKOVITZ

St. Paul voters twice decide against manager charter within a period of eight months. ::

ST. PAUL grew up with a mayor, bicameral council, and administrative board system of government. In 1896 Minnesota adopted a home rule amendment to its constitution and in 1899 the legislative enabling act was passed. St. Paul's first home rule charter in 1900 took over the existing system as it had developed through some forty years of growth. There was a board of aldermen representing the twelve wards and an assembly of nine members elected at large. The administrative functions were in the hands of boards in which the standards of ability and integrity were generally high. St. Paul found this machinery cumbersome and clumsy. The efficiency and integrity of the administrative boards were manifest, but the system as a whole did not meet the political requirements of the city, and St. Paul in 1912 turned to the commission plan then at the height of its prestige and vogue.

EXPERIENCE WITH COMMISSION GOVERNMENT

The new charter went into effect in 1914. While preserving most of the technical features of the old charter, the administrative functions were given to a six-man commission elected at large. With the exception of a few relatively minor amendments that have been made from time to time, this system has come down to the present and is still in force. The mayor assigns the members of the council-commission to the various departments with power of reassignment at the end of six months. The comptroller, also elective, draws up the budget. The council, in passing the budget, may not change any item by more than 10 per cent nor the total budget by more than 3 per cent. Expenditures are limited to $30 per capita, but excepted items bring the total to about $33. The administration of public education is a novelty. The department of education is one of the six major administrative divisions and is headed by one of the commissioners. Although the charter provides for the appointment of an advisory board, with ward representation, the function was to be that only of school visitors. The present commissioner of education is the first, since adoption of the charter, who has put the provision into effect.

From the start there were complaints and dissatisfaction. It seemed illogical to combine the legislative and administrative powers in the same men. The criticism was soon made that the commissioners were "six little mayors." Central direction was lacking. Logrolling was rife. Amateurs were trying to fill the boots of professionals. Management of the six departments called for expert skill, but only a practical politician could get elected. The commissioners as a class were mediocrities. Worse still, it was impossible in advance to know the department which any candidate for the commission could fill if successful at the polls. Indeed the candidate himself did not know. In the exigencies of the assignment, a commissioner of parks and playgrounds might find himself called upon to discover the talents of a commissioner of education. A commissioner of public works became a commissioner of finance overnight.

Criticisms such as these led to the drafting and submission, in 1921, of a federal-plan charter. It was very similar to the old system from which the city had fled less than ten years before. There was, as before, a bicameral council but the administrative boards were largely eliminated. There were, however, some important exceptions. But in general the city administration was to be departmentalized and little emphasis was placed on the board feature. This charter was defeated.

MANAGER CHARTER TWICE DEFEATED

There was no major movement of reform again until 1925, when the City Charter Commission decided that the time had come to remedy the manifest defects, the inefficiency, and incompetence of the city government. A select committee was appointed which recommended the city manager plan. A committee was then instructed to prepare such a charter. It retained Louis R. Frankel of St. Paul as counsel, who drafted a city manager charter which was offered to the voters in November, 1929, and defeated and then, with a few changes, resubmitted in June, 1930, and again rejected.

The mayor was to be a voting member of the city council with veto power. His functions were to be of a full-time nature and his salary $5,000. He was given the power of appointing the school board, city planning commission, and one member of the civil service commission. It was anticipated that the mayor would be more than the ceremonial head of the city government and would assume an initiative and responsibility in political leadership. His term was to be two years, against four years for members of the council.

The school board was to be rather unique in its rotation of terms. Composed of seven members, two were to be appointed each year except the fourth year, when only one would have been named. As a result it would have required two years to change a definitely fixed policy of the board. This was done to protect school policies from sudden and radical changes and yet make public education amenable, through the mayor, to public opinion.

In its financial clauses the new charter proposed a reform which is recognized even by most opponents of the city manager plan as desirable. The present limitation is on a per capita basis. The city may spend $30 a year for each resident as shown by the most recent federal census and it is presumed that the city grows each year one-tenth as much as it did in the aggregate in the last preceding decade. Because St. Paul grew considerably more rapidly between 1920 and 1930 than it did from 1910 to 1920, the city government now faces ten fat years. It is generally agreed that these fluctuations of civic expenditure with population are not soundly based and that value of taxable property is a more accurate guide to the ability of the city to support its government. Accordingly in the new charter the limitation was changed from a per capita basis to millage. Full and true value was taken as the safer base because assessed value, being on a percentage basis and varying for different classes of property, is subject to change by the legislature.

One feature of the charter which was of especial interest was its provision relating to the sewers. St. Paul, because of its topographical situation and its broad area, has a peculiar problem in assessment of property owners for sewer construction. In the new charter the city council was authorized, in its discretion, to erect the sewage and drainage system into a public utility, with a definite assessment per front foot and a scale of service charges.

But the charter in general followed the lines of city manager plans elsewhere. The city council was to consist of ten members elected at large who would appoint the city manager and perform the legislative function.

ORGANIZED LABOR IN OPPOSITION

This charter was submitted on November 5, 1929. The chief opposition came from organized labor, the teachers' federations, and the office holders at city hall. Organized labor had no real reason for opposing the plan, but probably believed that since it had done very well politically under the commission system, practical considerations counseled against any change. At that time labor had three of the six councilmen and the comptroller, and was hopeful of at last electing its own mayor at the forthcoming elections. The teachers' federations declared that school boards are unsound, by which they undoubtedly meant that they considered a single-headed administration of the department of education to be more susceptible to the kind of political influence they are in a position to exert.

The city manager charter was attacked as a step toward dictatorship. Many of the outlying districts were disappointed at the provision for election of councilmen at large. The sewage clause was misinterpreted and misquoted. A great storm was raised over the fact that in the new charter franchises would be granted by the city council and not submitted automatically to popular election. As a matter of fact, the new charter provided that any franchise granted by the council would be subject to referendum petition and, moreover, the only remaining public utility franchise will probably be given over to state regulation within the next few years. In general it was argued that the purpose of the city manager plan was to remove control over the city government as far away from the people as possible.

The vote was taken at a special election and was very light. The count was 22,457 for the charter, 22,867 against. Another 4,768 affirmative votes would have carried the charter. From this strong showing, no less than from the evident spirit of reform and revolt, the friends of the city manager plan took heart and began preparations for resubmission. It was plausibly contended that victory depended only on arousing enough interest to get out a representative vote, that the opposition had polled its maximum strength and could easily be overcome.

CHARTER RESUBMITTED IN JUNE

Unfortunately both calculations proved wrong. Before the charter could be resubmitted the spirit of reform and revolt which had been so noticeable the preceding winter had worked itself out at the municipal primary and election in the spring. Mayor Hodgson, running for his fifth term, was eliminated at the March primary and attributed his defeat to his opposition of the city manager plan the preceding November. At the May municipal election the voters made a comparative stranger to politics mayor and put three new men into the city council. It seemed to be the feeling of the public that sufficient change had been made at city hall and that the "new deal" administration was promise enough.

The other calculation also went wrong. Despite a vigorous newspaper and speaking campaign, public interest was hardly greater on June 16 than it had been on November 5. The charter was defeated on second submission more decisively than on the first, and this notwithstanding a less articulate and less vigorous opposition.

There were a few noteworthy differences between the June and November charters. The most important of these pertained to the council. In deference to the demand for district representation, which in some respects was well-grounded, it was provided that the Council should consist of thirteen instead of ten members, five to be elected at large, one each to be elected from the six state senatorial districts of the city except the forty-second which should elect two, and the mayor. The enabling act for handling the sewers as a public utility was dropped. Franchises were restored to popular election.

Between the two charters there had intervened the 1930 federal census, showing a better than 15 per cent gain of population for the decade. The result, under the per capita limitation, is that the city will have $600,000 more to spend in 1931 than it has in 1930. It was pointed out during the campaign that with a limitation of 21 mills on full and true value as provided in the charter (with an additional single mill permitted in case of emergency) the increase would only be $300,000, which was clearly ample.

The charter, however, was defeated. With some 75,000 of the eligible voters staying away from the polls, the count was 20,888 for the charter, 28,553 against. The charter failed, in the last analysis, because the people of St. Paul were not persuaded of the importance of their governmental forms to the point of taking action.

There is a suggestion at the present time of two separate amendments to the existing charter. One would change the financial basis of the city government from the per capita to the millage basis, as proposed in both the November and June charters. The other would provide for a budget-making body to replace the present system whereby the comptroller draws the budget and the council is strictly limited in its power to make changes. But no major movement for reorganization of St. Paul municipal structure is to be expected again for a number of years. At least negatively, the voters have signified their satisfaction with the commission plan.

OHIO REVIVES ITS MUNICIPAL LEAGUE

BY F. R. AUMANN
Ohio State University

The resuscitated Ohio League will hold its annual convention in coöperation with the National Municipal League and affiliated associations in Cleveland, November 10–12. :: :: :: ::

THE state of Ohio, which is preponderatingly urban, has had an active rôle in the movement towards municipal improvement in this country. Its cities have never hesitated to scrap old forms if the adoption of new ones promised better things. The wide acceptance of the city manager plan in Ohio attests to this fact. An Ohio city, Dayton, was the first large city to adopt this plan. No less than twenty-one cities and towns in the state now have the manager plan.[1] This list includes the two largest cities in the state, Cleveland and Cincinnati.

With this rather pretentious record in municipal affairs, it seems strange that Ohio should lack a coöperative organization between the cities of the state. In twenty-eight states we have some form of a municipal league, rendering a very definite service to their member cities. The fact that Ohio is not included in the lot rendering such services is not due to a lack of effort. Several very definite attempts have been made to organize Ohio municipalities.

Back in 1912 when Ohio cities were fighting for home rule prior to the constitutional convention of that year, the first attempt to organize the cities was made. This was a time of vigorous action in Ohio municipal life, and with such stalwart crusaders as Augustus R. Hatton, Newton D. Baker, and Mayo Fesler (to list just a few of the men) working for the league, the movement was crowned with success. This first Ohio Municipal League continued to function until the war, when it was crowded out of existence in the rush of competing interests. Subsequent efforts made to organize the cities of the state did not meet with success. A decision of the Ohio Supreme Court declaring it illegal for cities to pay dues into a general organization of municipalities had fatal consequences and much good, hard work went for naught.

ORGANIZATION AND OFFICERS

Steps recently taken in Ohio indicate that there is a new movement underway to revive interest in a municipal league. On June 20 a meeting of representative officials was held at Ohio State University looking towards permanent coöperation between the cities of the state. The meeting was well attended and those present were hopeful of securing results. Mayors of many of the smaller towns were present and practically all of the large towns were represented.

Mayor William T. Jackson of Toledo was elected president; City Manager F. O. Eichelberger of Dayton, vice-president; and Mayor Arthur T. Schuler of Bucyrus, Mayor R. O. Bryan of Portsmouth, and Mayor Homer M. Johns of Massillon, trustees. Professor Harvey Walker was chosen as secretary-treasurer and headquarters were established in the political science department of the state university at Columbus.

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[1] Ashtabula, Celina, Cincinnati, Cleveland, Cleveland Heights, Dayton, East Cleveland, Gallipolis, Hamilton, Ironton, Lima, Middletown, Oberlin, Painesville, Piqua, Portsmouth, Sandusky, South Charleston, Springfield, Westerville, and Xenia.

These officers constitute an executive committee which was directed to report a plan of permanent organization to a subsequent meeting to be held in Cleveland in November, at the same time as the National Conference on Better City Government. This committee was empowered to appoint such committees as were deemed necessary in order to prepare a comprehensive municipal program for presentation to the November meeting. Five committees were appointed, viz: (1) Uniform Traffic Code; (2) Uniform Crime Reporting; (3) Taxation; (4) Revision of the Municipal Code; and (5) Legislation.

Before the league can be adequately financed some enabling legislation must be secured or this last attempt at municipal coöperation will be little more successful than previous ones. The officers of the league feel that there is a good chance that the law can be passed if the assembly can be made to feel that the cities want it and that the privileges conferred will not be abused. One of the tasks assigned to the new legislative committee will be that of drafting such a bill for presentation to the 1931 session of the general assembly. Pending action by the general assembly every city in the state of Ohio will be considered a member of this organization and entitled to all of its services. The department of Political Science at Ohio State University will undertake to perform these services during this period.

If favorable legislation is secured there is every reason to believe that the Ohio Municipal League (the name officially adopted) will render a useful and much needed service to the cities of the state. Convincing statements were made for concerted action on the part of the cities by many of the city officials who were present. The tentative program set up for consideration can be considerably enlarged without any great difficulty and undoubtedly will be when the cities become aware of the services available and present their problems. Martin S. Dodd, the Toledo city solicitor, after mentioning a number of benefits which would accrue from organization, spoke in favor of the league if it would do nothing more than secure coöperation between the cities in the matter of tax legislation.

The organization is in good hands. Several of its officers have had experience in the previous attempts that have been made in Ohio and Mr. Walker, its secretary-treasurer, who is largely responsible for its revival, has had experience in the municipal league field in Kansas and Minnesota.

NORTHERN NEW JERSEY SEEKS SOLUTION OF REGIONAL PROBLEM

BY SPAULDING FRAZER

Counsel to North Jersey District Water Supply and North Jersey Transit Commissions, Former Corporation Counsel of Newark

Northern New Jersey has a metropolitan government situation unique in this country. Radical measures for solving it have been recommended by the state regional government commission. They are here described by one who has had a long and intimate relation with past and present efforts to secure unified action. :: :: :: :: ::

THROUGHOUT the country the marked trend of the rural districts toward urban centers is raising daily problems of unusual importance and complexity. While at minor centers of population these problems are at times acute, it is still in most instances possible to bring about some adjustment to modern conditions by the extension of time-honored governmental machinery. Such, however, is no longer true of the great urban centers of the country and their surrounding tributary suburbs. At these centers the requirements in public works alone are so inter-related as to make it practically impossible for one municipal unit to act independently of its neighbors without great waste and inefficiency, while at the same time the multitude of individual political units is so great as to make coöperative undertakings more and more difficult of realization in fact. In no section of the country has this condition reached such appalling complexity as in the northern portion of New Jersey adjoining New York City.

CONTRAST WITH NEW YORK CITY

In the case of New York City itself, an effective machinery was developed by consolidating into one city and five boroughs the numerous cities, towns, and villages of independent existence at the close of the last century. The advantages of such consolidation, in the sphere of great public works especially, have been so obvious as scarcely to need pointing out. A great transit system has been created; tunnels and bridges have pierced or crossed the East River; the world's greatest water supply has been developed; while in the sphere of administrative activity unified police and fire departments have brought greater safety to the consolidated community, and unified health control has made possible the construction of hospitals, the protection of the milk supply, and the general inauguration of health measures so essential to great aggregates of population.

In New Jersey the picture is one of shocking contrast. Within its metropolitan area there are some three hundred municipalities of varying types, from the great city of Newark with nearly half a million inhabitants, through other major centers such as Jersey City, Paterson, Elizabeth, down through suburban towns and boroughs rapidly taking on the proportions of cities, to small boroughs and hamlets on the outskirts. Under existing law, no great public work affecting these numerous municipalities can be undertaken without the assent of the affected municipalities, even through the instrumentality of district boards; while in the sphere of administrative organization no coördinating force whatsoever exists.

The unspeakable confusion which results whenever major undertakings are required and the efforts necessary to bring into harmony the discrepant and necessarily parochial views of an indeterminate number of commissions and councils need only to be adverted to, to be realized. Such, however, is the situation in that section. This condition is in no sense of recent creation, nor have its deleterious consequences to northern New Jersey been unappreciated by local students of municipal problems. In fact as long ago as 1907 when the intolerable condition of the Passaic River, due to its use by practically all of its bordering municipalities for the discharge of their sewage, had reached a point where towns along its shores were being depopulated and industries fronting upon it seriously handicapped, sufficient public sentiment was aroused, largely through the efforts of the City of Newark which lies at its mouth, to bring about the enactment of legislation creating a district with powers sufficiently broad to construct the sewer and to levy its cost upon the several municipalities lying within the district.

COURT DECISION FORCED RELIANCE ON INTERMUNICIPAL COÖPERATION

Had it not been for what many consider a highly technical construction by the Court of Errors and Appeals of New Jersey of the constitutional powers of the legislature to deal with a subject of this type, reversing a favorable decision of its Supreme Court, it is possible that sufficient impetus would have been given to the movement thus initiated to have brought into being some broad policy which by this time would have established a working solution of the problem. The court of last resort, however, held that the Passaic Valley Sewerage Commission was a mere administrative agency without true governmental power; and that the scheme of financing involved an unconstitutional apportionment to the several municipalities in the district, based upon their respective tax rateables, notwithstanding the fact that in certain instances only portions of such municipalities lay within the territory of the district; and that the scheme in effect granted to a commission appointive by the governor taxing powers constitutionally limited to the legislature.

The outcome was a compromise solution of the pending problem by the passage of amendatory legislation whereby the work was still left in the hands of the Passaic Valley Sewerage Commission, but its financing made dependent upon contract with the several municipalities lying in the sewage district. After a most discouraging proof of the fundamental inefficiency of so-called intermunicipal coöperation, a contract was at last drafted whereby the work was able to be carried on and the sewer was built. Inefficient and costly as this method proved, it did have a certain pragmatic value in that the sewer was eventually constructed. It is my belief that the decision in the Passaic Valley matter and its qualified success in practice brought about a serious check in the evolution to a true regional organization.

WATER SUPPLY AND COÖPERATION

A similar problem arose a few years later in the necessity of creating a new major water supply to serve certain of the municipalities in the region. Relying on the precedent of the Passaic Valley case and without organization, notwithstanding the earlier decision, the draftsmen of the legislation for the new water development not unnaturally followed the line of least resistance and created the North Jersey District Water Supply Commission upon lines substantially those of the Passaic Valley Sewerage Commission. Lest the last remark may seem invidious in respect of the draftsmen of the water legislation it is perhaps only fair to add that I was one of them.

The water legislation having been adopted, a further example of the difficulties of municipal coöperation with eventual accomplishment in all respects, save as to the number of municipalities involved, analogous to the Passaic Valley situation, arose, and after negotiations which involved some ten municipalities and covered a period of from six to eight years, the Wanaque contracts with the North Jersey District Water Supply Commission were eventually signed by eight municipalities, and the work established on a basis which permitted the development of the full economic yield of the impounded streams.

TRANSIT, MEADOWS RECLAMATION, FLOOD CONTROL

With these more pressing regional projects in the course of compromise solution, the necessity for regional organization to deal with other great undertakings began to attract the attention of groups specifically interested. The first of these groups to receive legislative sanction was that which called attention to the intolerability of transit conditions between New Jersey municipalities and New York City. As a result, in 1922, by act of the legislature, a commission for the study of this problem, together with the related problem of intercommunication between cities of northern New Jersey, was established and took the name of North Jersey Transit Commission. New legislation in 1926 somewhat broadened the powers of this advisory board, but did not grant any construction powers.

By 1927 other groups had made their needs felt and a series of legislative commissions, all of an advisory type, was established. One, the Meadows Reclamation Commission, was charged with a consideration of ways and means for the development of the so-called Hackensack meadows, a large tract of waste lands adjoining the Hackensack and Passaic Rivers and bounding in part on Newark Bay, in which development through the past generation has been purely sporadic and very gradual. Another was the Flood Control Commission, charged with the study of flood conditions on the Passaic River, conditions which in the past had resulted in disastrous inundations, notably in the great flood which destroyed a large part of Paterson in the early part of the century.

Large appropriations were made to these commissions and reports of considerable value resulted. In its 1927 report the Transit Commission presented a comprehensive plan with considerable supporting detail not only as to the possibility of physical layouts by means of an inter-state loop connecting with an intra-state loop and tangential trunk lines for the moving of commuter passenger traffic from New Jersey into New York and for the creation of rapid transit intercommunication between New Jersey municipalities themselves, but also data respecting means of finance, the effect of transit on real estate values and the employment in other parts of the country in analogous major undertakings of some system of benefit assessment whereby in part the enhancement in realty values might be made to bear the expense of transit construction with a resulting decrease in operative overhead reflecting in turn a decrease in rate of fare.

In addition to these matters there was included a study of the possibility of district organization along lines similar to those in the original Passaic Valley Sewerage act and departing from the plan of municipal coöperation through contract with a district agency established in both the amended Passaic Valley Sewerage act and in the Water Commission act. It was suggested that by the establishment of an elective board empowered in its discretion to undertake the construction of regional public works in a district, the geographic lines of which should conform with those of the municipalities or counties included therein and authorized to finance such projects by taxation either direct, through bond issues, or by means of benefit assessments or temporary local taxing districts, the constitutional objections raised in the Passaic Valley Sewerage case might be successfully avoided.

NO TRANSIT PROGRESS UNTIL REGIONAL GOVERNMENT IS ESTABLISHED

This report was followed by a further report in 1929, wherein the Transit Commission after further study came to the conclusion that a final planning of transit facilities, especially in relation to the interconnection of New Jersey municipalities was not feasible so long as other regional problems had not been solved. It became more and more apparent as the studies advanced that the transit problem specifically recommended to the Transit Commission for study was closely inter-related with all the other great regional problems, such as meadow reclamation, flood control, water supply and sewage disposal. The report, therefore, stressed the necessity for the creation of a district commission empowered to coordinate and carry on all of these major works as distinguished from a series of constructing commissions, the activities of which would be limited as heretofore to a single phase of public undertaking, and dependent financially on the whims of affected municipalities.

STUDY COMMISSION APPOINTED

Largely as a result of this report, I believe, the legislature of 1929 appointed a commission consisting of six legislators, three from the Senate and three from the House of Assembly, to serve with five laymen to be appointed by the governor of the state for the purpose of studying and recommending legislation along the lines suggested in the Transit Commission's report. This new commission, not organizing until late in the fall when the governor announced the lay members thereof, did none the less, somewhat well along in the legislative session, submit a number of measures largely dealing with the problem of police coöperation between the state department and local units, which were enacted, and finally submitted a report recommending the enactment of a bill, transmitted with the report, establishing a general works commission in each of four districts therein established. Of these four districts two were designated as "metropolitan," the North Jersey Metropolitan District consisting of eight counties in the vicinity of New York, and the South Jersey Metropolitan District comprising the territory in the vicinity of Philadelphia and centering at Camden.

The requirements as to the first of these were considered so urgent as to induce the drafting of legislation in such a way as to make the establishment of the district commission effective in that district at once the bill was enacted. As to the remaining districts a referendum upon petition of the majority of the boards of freeholders of the counties situated therein was provided for, before the district machinery should become operative. Indications at the statehouse, however, upon the introduction of the measure were to the effect that the South Jersey Metropolitan District considered its problems sufficiently pressing to desire inclusion in the first class, were the legislation enacted.

The enactment, however, probably wisely, was not forced at the regular session of the 1930 legislature despite the fact that the committee recommending it included the president, majority and minority leaders of the Senate, and a senator who, in the preceding session had been a member of the Assembly, as well as the majority and minority leaders of the House of Assembly. It was felt that in so important a measure full consideration should be given and opportunity for public criticism afforded.

SCHEME PROPOSED BY COMMISSION

The scheme of the act is briefly as follows: That in each of the counties comprised within the district there shall be elected for a term of four years —rotation being provided by varying lengths of terms of those first chosen—a commissioner to sit upon the district board. To prevent the control of populous centers by the less populous counties, it was originally provided that action in all major projects should only be had upon a three-quarter vote of all the commissioners, while in purely local improvements within the jurisdiction of the commission, substantial veto powers were given to municipalities affected by the relatively local improvement, this veto being subject to over-ruling by a unanimous determination of the district commission.

This feature of the act has been severely criticized, and probably justly so. At a subsequent meeting of the commission the suggestion was made and tentatively adopted that the act as introduced should in this regard be amended so as to provide plural voting, each commissioner being entitled to cast upon any measure the same number of votes as there were Assemblymen representing his county in the House of Assembly. The three-quarter majority of the votes thus provided for and the veto arrangement were substantially continued. The powers granted to this commission thus established were very broad in regard to the type of work which might be undertaken, being originally defined so as to include all public works of a type which a municipality might be authorized to undertake within its boundaries provided that the proposed works should affect more than one municipality. This broad general definition likewise was considered as too all embracing, and has subsequently been curtailed to include a relatively few major projects such as those above enumerated, to wit, water, transit, reclamation, flood control, and sewage. The commission also discussed the advisability of including among the administrative powers to be granted to the commission control over police, fire and health matters in their district aspects. It was felt by many that, especially in regard to the police and fire departments, a great inefficiency and extravagance resulted from the existing necessity of establishing separate departments of this kind in the three hundred or so individual municipalities within the Northern Metropolitan District, and that the coördination of these functions throughout the district would permit of a decrease in the total number of men and the total amount of apparatus employed, while affording greater protection through every part of the district. After much discussion, however, it was deemed advisable to limit the scope of the present organization to that of essentially a works commission.

The powers thus granted for the undertaking of public works may, under the terms of the bill, be initiated either by the commission itself or upon application of municipalities or counties desiring them. Broad powers were given to the commission to construct works and to contract with groups of municipalities or counties, and full powers of finance by direct taxation, by bond issues, by benefit assessments and by the establishment of local taxing districts were included.

BILL WILL BE CONSIDERED AGAIN IN 1931

Such then is the situation toward regional organization for the metropolitan section of New Jersey. The act as drafted has been considered by eminent counsel and has been generally conceded to be constitutional in its more important phases. Some question has been raised as to the constitutionality of local taxing districts to defray the expenses of relatively local improvements in whole or in part, it being thought that perhaps such local districts would be in effect zones of benefit and subject to taxation only by strict adherence to the theory of benefit assessments. The great complexity, however, of a practical administration of the benefit assessment theory in instances affecting large numbers of properties, the difficulty of ascertaining justly the benefits accruing, to say nothing of the tremendous size of assessment rolls, led the commission to the conclusion that the local taxing district method should at least be attempted in order to ascertain its constitutionality. In including this scheme, the benefit assessment plan was retained so that should question as to the constitutionality of the former arise, the latter might be fallen back upon as a secondary line.

The bill, whether in its present form or with some modifications in the more or less moot points, will undoubtedly come up for consideration at the next session of the legislature. Whether, in view of the political situation in the state due to the approach of the gubernatorial election in the fall of 1931, action will be taken upon it at that time still remains to be seen. It is, however, quite obvious from the interest which the bill has already aroused that the public mind is being directed to the necessity of some such solution, and I believe it may be fairly prophesied that within a very short period of time New Jersey will be in a position under its statutes to carry out major projects under the direction and upon the initiation of some such governmental agency. Whether the agency proposed is the best that can be obtained under existing conditions, whether modifications in the structure of the commission and its manner of choosing will later be made, actual experience alone can demonstrate.

WHY SOME CITIES HAVE ABANDONED MANAGER CHARTERS

I. DEFECTS IN MANAGER CHARTERS

BY ARTHUR W. BROMAGE

University of Michigan

This is the first installment of a study of the reasons for the abandonment of manager charters in seventeen cities. The concluding installment will appear later. :: :: :: :: :: :: :: ::

THE cities which have abandoned city manager charters fall into no ready-made classifications. By predominant characteristics, however, the cities whose council-manager charters are no longer in existence can be divided into three major groups.

I. The first group of cities includes those in which defects in the specific charters or disadvantages inherent in the manager plan itself led to its failure.

II. The second class embraces municipalities which lost their manager charters through circumstances which were largely extraneous to the plan itself.

III. The third group comprises cities in which the manager plan was given a very brief trial under political conditions prejudicial to its success. These cities had the plan by letter, possibly, but never in spirit.

While the cities may be so classified into groups, each one is a separate problem in itself.[1]

GROUP I

DENTON, TEXAS

The city manager, home rule charter of Denton, Texas, took effect in April, 1914. It provided for the election of a commission with authority to select one of its own number as its presiding officer. The commission had power to appoint a manager who had the title of mayor and served as chief executive of the city. It appears that the designation of the manager as mayor, and the granting to the manager of all powers of chief executive was a serious defect in the Denton charter. It made him in effect a mayor-manager picked by the council The electorate soon became jealous of the selection of their chief executive by the council. Consequently, they voted on July 29, 1919 to amend the charter so as to provide for the direct election of the manager. As a prominent business man puts the case, "the majority wanted to have a voice in the selection" of their chief executive.[2]

Various opinions as to the abandonment of the manager plan in Denton are suggested by residents and officials. The mayor attributes the change to the fickleness of the electorate. A resident points out that "the duty of appointing officers was upon the manager and dissatisfaction over his selections seems to have caused the change." Another holds that some of the people "who wanted a word in everything that had to be done . . . succeeded in getting the manager form recalled." From a lawyer comes this analysis: "The city manager plan did not fail in Denton. At the time of its adoption the city was in sore straits. . . . City scrip was outstanding. . . . After the adoption of that plan the scrip was soon retired at one hundred cents on the dollar, improvements were made within the city. . . . But on account of the jealousy of the electorate the charter was amended."

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[1] The cities will be classified as follows: Group I: Denton, Texas; Waltham, Mass.; Santa Barbara, Calif.; Albion, Mich.; Wheeling, W. Va. Group II: Collinsville, Okla.; Lake City, Tampa, Fort Myers, and St. Cloud, Fla.; Dearborn, Mich.; Missionary Ridge, Tenn.; Michigan City, Ind. Group III: Hot Springs, Ark.; Lawton, Okla.; Nashville, Tenn.; Akron, Ohio. The town of Ludlow, Vt., abandoned the manager plan in 1929 (Letter from the town clerk, July 10, 1929).

[2] For obvious reasons, it is impossible to give the actual sources of many opinions expressed in letters to the author.

It seems unwise to criticize the electorate in this instance. The charter provisions that designated the manager as mayor and made him the chief executive of the city left the people without a political leader directly elected by them. This they justly resented. As a result the charter was amended to provide for the direct election of the manager and Denton was dropped from the official list of manager cities.

WALTHAM, MASSACHUSETTS

Exercising its power under the general optional act of Massachusetts, Waltham in January, 1918, put into effect Plan D, the city manager form.[1] In November, 1922, the people voted to return to a mayor-council form of government. There is no question of the honesty or efficiency of the officials who were chosen under the manager plan in Waltham. The chief criticisms are directed against the plan itself and particularly against its tendency to autocracy.

"No criticism," writes a prominent official of Waltham, "could fairly be made of the personnel or officials acting under our city manager plan. They were men of character and repute." No better testimony to this end can be produced than the fact that city manager Henry F. Beal was subsequently elected as mayor many times. "The chief criticisms in Waltham were that the manager plan was autocratic and the council not adequately representative of the wards nor sufficiently inclined to make public discussion of important matters."[2] This same arraignment appears in the statement of a mayor of Waltham: ". . . representative government is the best yet devised by man and . . . covenants should be openly arrived at. There is too much secret work about the manager plan."

There is another side to the story. Former manager Henry F. Beal has explained that the supporters of the manager government "considered the plan so firmly installed that no campaign was undertaken in opposition to the proposal to return to council-mayor form of government. This coupled with a failure to vote on the part of a large number of the satisfied citizens resulted in a change."[3] The blame for the defeat of the manager plan has also been allocated "in part to opposition to certain major projects proposed by the council, and in part to its unpopularity with the politicians." From another city manager of Waltham comes a similar view. He maintains that the manager form was lost because of the "minimum interest of good citizens and maximum activity by ousted politicians. . . . However, when the people realized their mistake . . . they overwhelmingly put the city manager in as mayor and reëlected him for seven terms thereafter."

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[1] R. T. Crane, *Digest of City Manager Charters.*

[2] T. A. Nettleton, Cities Record Satisfaction with Managers, *Christian Science Monitor*, April 26, 1928.

[3] *City Manager Magazine*, Vol. 5 (Feb. 1923), p. 37.

While the downfall of the manager plan in 1922 can be laid at the door of an organized opposition and disorganized supporters, there is a more fundamental question at stake. If the people realized their error in 1922, why has there been no concerted movement to return to the manager form?[1] It is apparent that the citizens of Waltham liked the officials under their manager government better than the plan.

SANTA BARBARA, CALIFORNIA

After nine years of operation city manager government in Santa Barbara, California, was concluded in 1927.[2] The manager type was established by a home rule charter in January, 1918.[3] Opposition to the city manager plan multiplied upon a number of contributory factors. In the opinion of a former manager, "the city manager plan was abandoned in Santa Barbara because of politics stimulated by the local press for a period of several years. . . . The real purpose of changing the charter was . . . to get the present council out of office and remove the president of the park board and also make certain changes in the planning and harbor commissions."

A citizen gave five basic reasons for the abolition of the manager plan and the return to a mayor-council government: "(1) Mental condition following the quake. (2) The fights between newspapers. . . . (3) Very strong feeling in one considerable section of the city over a drainage system that bore rather heavily upon those assessed. (4) Two unpopular men: One in the park board and one in the school department. (5) Ill feeling aroused among labor union workers over the employment of non-union laborers in the reconstruction of school houses."[4]

In telegraphic style a business man outlines the evils of manager government in Santa Barbara: "imported personnel; incompetency of managers; general dissatisfaction and overturning of the charter resulting from conditions that arose after earthquake of 1925." A more extended review of the shortcomings of the manager plan is given by one of its leading opponents in Santa Barbara: "The elimination of politics from city government did not take place. . . . In the effort to put business into government, the machinery of the city administration was pushed away from the people. . . . In the last analysis, the council and not the manager was the city government. That meant that all of the politics which the manager system was supposed to drive out was retained in obnoxious form. . . . We demonstrated to our own satisfaction at least that there is nothing in the title of manager that puts magic into city government. . . ."

The charter of Santa Barbara provided the legal basis of these complaints against the city council. To begin with the councilors had four-year terms overlapping. As a result, "it required years to change the complexion of the council unless a recall was had," and this, in the opinion of one opponent, was a serious defect. In addition, the council had the power to select the assessor, auditor, clerk, police judge, tax collector, treasurer, board of education, board of park commissioners, and library trustees. The failure of the manager plan was attributed in part to the unpopular men on the park and education boards and in part to policies in the reconstruction of school houses. These were matters for which the manager was not responsible. The concentration of so much appointive power in the hands of the council proved to be a major defect in the manager charter of Santa Barbara.

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[1] Under the laws of Massachusetts when an optional plan of government is adopted by a city, it must continue in effect for at least four years after the beginning of the terms of office of the officials elected thereunder. Massachusetts, *General Acts* (1915), Chap. 267, sec. 13. This waiting period has, of course, elapsed and Waltham could now legally return to manager government if the residents so desired.

[2] A mayor-council charter was adopted on November 16, 1926, by a vote of 3452 to 2186. *Public Management*, Vol. 9 (Jan. 1927), p. 63. It took effect on June 1, 1927.

[3] R. T. Crane, *Digest.*

[4] International City Managers' Association, *The City Manager Plan of Government* (pamphlet, March 1, 1929), p. 13.

ALBION, MICHIGAN

Albion in 1915 joined the ranks of Michigan cities that put faith in the city manager plan. In the thirteenth year of its operation in Albion the manager charter was amended so as to eliminate the manager by the close margin of thirty-three votes. From men who have been or are now closely in touch with the political pulse of Albion comes the following diagnosis of the patient's condition. The abandonment of the manager plan was due to: "local politics"; "political engineering" on the part of one who now holds high office in the mayor-council government; "a certain faction of people believing that taxes would be lower"; the insistence of the mayor that "strictly administrative functions should not be retained in the manager's office"; and "continual 'pecking' at the city manager form by its opponents, continual criticism of city managers from the same source, undiplomatic moves by some of the managers and possibly a few mistakes."

These facts are established beyond question. Albion suffered from the failure (intentional or unintentional) of the mayors elected under the manager charter to understand their place in the mechanism. Mayors, both early and late in the thirteen years of the manager government, encroached upon the functions of the managers. Again, Albion tried to save by paying small managerial salaries. A movement late in the period of manager government to raise the salary of the manager from $2,400 to $2,500 met with considerable opposition. It is no reflection on certain able managers of Albion to say that the success of the plan there was imperiled by less able managers and their political connections.

The last mayor under the city manager charter became the first mayor under the amended charter which was approved by the voters on April 2, 1928. To this public servant the movement to amend the manager charter is often attributed. They say that the campaign was carried by the slogan that a reduction in taxes would follow. The tax rate has not changed, but there is a prospect of a general increase in valuations to provide additional revenue.

The charter amendment of 1928 gave Albion a ward-elected council. Each department, with the exception of the department of public affairs headed by the mayor, is under the superintendence of a councilman. This is surely a reversion to the American dogma that any man can govern. It is unfortunate that the clash between mayors and managers in Albion on the subject of administrative powers could not have been settled without a change to mayor-council government.

WHEELING, WEST VIRGINIA

On May 27, 1915, the people of Wheeling, West Virginia, had presented for their approval two charters. One, the Greater Wheeling Charter, provided for a city manager form of government. The second, known as the City Hall Charter, called for a mayor-council government. The latter was an amended charter hastily arranged by city officials after they learned of the plan determined upon by the Greater Wheeling Committee. The city manager plan was adopted and took effect in May, 1917.

Twelve years later the charter was amended so that the manager formerly appointed by the council was replaced by a manager-mayor elected by the people for a two-year term. Accordingly Wheeling was dropped from the roster of city manager cities. It became one of our so-called manager-mayor cities. In the opinion of a former city councilor the change to an elective manager-mayor was due to dissatisfaction with the council's methods in selecting managers. "The outstanding objection," he writes, "to the manager plan . . . was that immediately after the election of members of the council there was a scurrying about to get a group sufficient to elect a manager. That group would then dominate the manager and all city appointments, and some of the stories told about the deals entered into to secure votes for the manager indicate that it was a very bad situation."

An official who ranks high in the present municipal government tells much the same story, namely that the people were unwilling to trust the council with the selection of the manager. In his own words: "It seems that some of our citizens felt that the city manager should be elected by the people and in that way he would not be dependent upon the council." A member of the state legislature holds a similar view: "The majority (of the councilors) would get together in secret caucus, divide up all appointments among themselves, and then propose to some party to elect him city manager if he would dispose of the offices as they dictated."

Wheeling chose to change the form of government putting the selection of a mayor-manager in the hands of the electorate. It appears that popular distrust of the selection of a manager by the city council was justified.

Summary of Group I

Out of this group of cities several warnings as to city manager charters and their operation arise. Denton demonstrates the futility of designating the manager as mayor and making him the chief executive of the city. There is too great a possibility of the manager's becoming a political leader. The inevitable result is to subject the manager to direct election by the people. Waltham is a caution, since it shows that the criticism that the manager plan is autocratic may seriously imperil a manager charter. The episode at Santa Barbara reveals the pitfalls of vesting great appointive powers in the council. Albion demonstrates more than anything else, the actual possibility of friction developing between mayor and manager. Wheeling discloses what a politically-minded council can and will do to the manager plan.

(*To be continued*)

CITY PLANNING IN SOVIET RUSSIA

BY BERTRAM W. MAXWELL

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Urban land policies in Russia are complicated and their administration is molded to conform to the peculiar organization of the Soviet State. More than one hundred cities have already worked out definite city plans to be followed by new construction. :: :: :: :: ::

THE Russian cities of modern times have never known the self-government status of Western European and American municipalities. The history of the Russian city is a struggle for at least a vestige of self-rule, which it has never succeeded in attaining. On the eve of the Revolution of 1917 the municipalities of Russia were in the iron grip of the autocratic central government. The short-lived and pathetic provisional government attempted to introduce Western European municipal practices, which were nipped in the bud by the onrushing storm of the Bolshevic revolution. It would be out of place to recount here the struggle and tragedy of the Russian city in the intervening years between 1917–1925, years of invasion, anarchy, starvation. But like the phoenix, the Russian city is risen from the ashes. Municipal life is still under the rule of the central authority, to be sure, but an authority radically different from the old one, and exercised under conditions which challenge the imagination — mass rule manipulated by a determined minority.[1]

Before the revolution city planning in Russia was given little attention. Since the revolution a vast amount of work has been done in the field of systematized city planning. City planning in Soviet Russia, which is tied up with the general scheme of socializing economic and civic life, can be traced to the promulgation in the uncertain days of 1922 of a Land Code which theoretically nationalized all land and provided for the distribution of land. Subsequent legislation modified the original provisions of the code and the law, as it stands now, recognizes only three types of land users: (1) individual or union tillers of soil; (2) the urban population; (3) state institutions and undertakings. All the rest of the land held by any other class comes automatically under the jurisdiction of the Commissariat of Agriculture, which may use its own discretion as to the grant of land to the authorized classes and categories of land users in accordance with legal provisions. Hence, the land on which cities are located is designated urban land, and the title is vested in the city population and may be granted for use by it to persons and organizations in accordance with legal provision.[2]

CITY TERRITORY

The Land Law defines urban territory as one unbroken area, separated from adjacent neighboring territory by the city boundary lines. It adds, however, that in city territory may also be included all lands adjacent to the urban boundary, occupied or vacant, which were under the jurisdiction of the city soviet (municipal administration) as of August 1, 1922.[1] Furthermore, all lands adjacent to, but outside, the city boundary lines, provided they are not in actual use by tillers of the soil or workers' organizations, may be attached to city territory. All these specified lands then make up the city domain, without regard to present use or previous ownership, save for the exceptions noted. On the other hand, scattered plots, which in the past were claimed by municipal corporations, may not be annexed by the city in question; conversely, separate plots adjacent to city boundary lines, provided they are not in actual tillage by peasants or in use of workers' organizations, may be taken over by the municipality. This does not, however, apply to that part of state land which has been reserved to the jurisdiction of the Commissariat of Agriculture or its tenants, and was not considered urban territory prior to the promulgation of the Code.

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[1] For a description of the city before, during, and after the Revolution, see B. W. Maxwell, Municipal Government in Soviet Russia, NATIONAL MUNICIPAL REVIEW, Nos. 162, 163, 164.

[2] Urban land utilization, like any other activity, is controlled by the central government. See O Zemlinich Poryadkach v Gorodach.

The above mentioned law also provides that certain rural settlements are to be included in city territory provided: (1) that they were a part of the city domain prior to 1917 and that city authorities deem it necessary to retain them under their jurisdiction; (2) that they have ceased to be a part of the Volost (cantonal) soviets by reason of city annexation as of August, 1922.[2]

THE CHANGE OF BOUNDARIES

The Land Code, the various instructions and decrees of central authorities, and the city planning project worked out by the State Planning Commission (Gosplan) provide for the change of city boundary lines in order to extend the territory of cities under the following conditions: (1) in cases where the increase of population demands an extension of urban territory to satisfy the need for additional building of dwelling places; (2) for the purpose of city welfare by means of extension of playgrounds, parks, water supply, lighting, sewerage, and other services of public welfare; (3) in cases where the movement of population has extended beyond the city limits to form a suburb in fact, if not at law. But under no circumstances may annexation take place for the purpose of increasing city revenue by renting lands for agricultural purposes. The legal provisions stipulate that lands outside of city limits in the use of city dwellers for agricultural purposes may be retained by them in that use, if the users organize themselves in land coöperatives, but the lands of these coöperatives and the organizations themselves are subject to the jurisdiction of cantonal authorities; the members, however, retain the right to take part in city elections and are excluded from exercising the cantonal franchise. The consequence of these provisions is that part of utilized agricultural lands remain under the jurisdiction of the city and parts under the authority of cantonal organs, and the coöperatives are subject at the same time to city and cantonal authority.

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[1] It is interesting to note the meaning of the legal provision in regard to land under the jurisdiction of city soviets. The special decrees of the Commissariats of Agriculture and Interior, issued July 18, 1923, in connection with the promulgation of the Land Code, explicitly stated "that all those lands are to be considered under the jurisdiction of city soviets and included in urban domain which are given over to the use of the city population in general and various coöperatives or organizations by the order of the city soviet or its organs. . . . In it is also to be included lands which were subject to municipal taxes and assessments prior to August 1, 1922." In addition all lands, which were used for parks, greens, etc. On the other hand, "city plots which are in use by city dwellers for agricultural purposes, meadows, pastures, truck gardening by permission of city soviets, are not included in city territory, if they were made use of for such purposes prior to August 1, 1922."

Some of the instructions are not quite clear and are contradictory, as they take for granted the existence of municipal organizations throughout the existence of the soviet régime. As a matter of fact, very few cities had special municipal governmental organizations prior to 1925. See Chugunov, *Gorodskiye Sovety*, pp. 157–158, and B. W. Maxwell, Municipal Government in Soviet Russia in NATIONAL MUNICIPAL REVIEW, *Loc cit.*

[2] This provision complicates the situation, since certain agricultural lands adjacent to new urban centers, though outside of the city limits, were subject to city authorities, yet under the new ruling the lands may still be used by municipal agencies and remain a part of Volost territory. It also may be noted that prior to 1927 city boundaries in many urban communities had not been determined at all. To be sure, by the decree of December 7, 1925, the All-Russian Executive Committee and Council of Peoples' Commissars, all municipalities in Soviet Russia proper were ordered to establish boundary lines by January 1, 1929. Compliance with this decree was, however, retarded by litigations on the part of users of agricultural lands opposed to city annexation.

CONTROL OUTSIDE CITY LIMITS

The law permits cities under certain circumstances, independently of change of boundaries, to formulate rules and plans for building on lands outside the city limits in order to prevent sporadic construction which might be in time annexed to city territory. From the date of passing and publication of these rules and plans, settlers are forbidden to erect new buildings contrary to these specifications and rules, except temporary and summer structures and additions to buildings already erected. Furthermore, the law grants city soviets considerable authority by the provision that "all lands within the city limits, with forests and greens, city natural resources, beaches and waterfronts within those limits, in whatsoever use they may be, with the excepton of lands exempt (which will be named directly) are under the direct jurisdiction of executive committees[1] through the agency of the organs of local administration."[2] A provision of the same law stipulates that exemptions of new subdivisions (excepting land already exempted) from city authority may only be granted in case of state necessity by the authority of special provision of the All-Russian Executive Committee and Council of Peoples' Commissars.

The following categories of properties are withdrawn from the jurisdiction of municipal organs and transferred to the various appropriate Peoples' Commissars:[3]

(1) Sites which are occupied by railway right of ways, stations and terminals, sheds, warehouses, shops and barracks, etc.;

(2) Territories of commercial ports, docks, wharves, lighthouses, etc.;

(3) Docks and wharves for river traffic which are directly under the jurisdiction of the Union-Commissar of Communication;

(4) Real estate used for building of canals, dams, levees, and other hydrotechnical works;

(5) Lands used in connection with development of state natural resources under the jurisdiction of central mining authorities;

(6) Military and naval reservations

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[1] See B. W. Maxwell, Municipal Government in Soviet Russia, NATIONAL MUNICIPAL REVIEW, January, 1930, p. 34.

[2] This provision, however, is somewhat obsolete, since it was passed on April 13, 1925, previous to the last municipal decree.

[3] Any disagreement is settled between various interested parties and the provincial executive committee.

under the control of the federal government;

(7) Sites used for national and local sanatoria.[1]

SUBDIVISION OF URBAN LAND

All city land is divided into three categories: residential sites, land for public use, and sites for industrial districts.

Residential sites are divided into lots in accordance with accepted projects of city planning.[2] However, if the amount of land assigned to residential districts exceeds by half the extent of territory provided for in the instructions of the Commissariat of the Interior for such purposes, the remainder of the land may be requisitioned by the city. In the distribution of territory for various subdivisions, the concentration of population in a given district, the economic character of the population, the character and type of local buildings, topographical peculiarities, and the sanitary and other conditions of the entire city in general and separate districts in particular must be considered.

The planning and widening of streets and squares and other places of public use, and laying out of new streets are executed in accordance with planning projects. The city soviets are empowered to correct and alter lines of built-up sections and thoroughfares when the lines are broken, uneven, or present other inconveniences from the standpoint of planning or sanitary utility, provided this reconstruction involves no more than 10 per cent of the district and does not necessitate the tearing down or transfer of buildings. All misunderstandings are settled by the provincial executive committee. The technical rules for planning, mode of execution, and the norms for the distribution of residential districts are regulated by special rules of the State Planning Commission (Gosplan). In the case of cities which previously did not have definite planning regulations, or whose plans had been disregarded, an exact survey of city territory becomes necessary, to be followed by the formulation of an exact plan of city building.[1]

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[1] The authorities under whose jurisdiction the above properties are placed must come into agreement with municipal authorities in regard to measures of public welfare, such as fire prevention, sanitary rules, etc. All misunderstandings are decided by the Commissar of the Interior.

In cases of certain lands set aside for local or state institutions, coöperatives, etc., the municipal bodies are limited in their authority by certain provisions. From the above it is clear, therefore, that certain sites of city lands may be held by general legal provisions, by special regulations of central authorities, by local ordinance, and by agreement between municipal authorities with the users of the land.

[2] In this connection it may be said that at present model apartments for working men are being erected in cities all over Russia, especially in the so-called new industrial cities such as Bolshoe Zaporozhye. The plans, if carried out on a large scale, would require large amount of expenditure which the government is not able to advance at present. Hence, to meet the general housing shortage in cities and large towns, a decree was issued by the central government in 1927 providing for the erection by individual workers of houses which cannot be used for profit through sale or lease. Funds have been set aside in municipal banks distributed by housing coöperatives, and building materials may be obtained by workers through central or local housing coöperative associations. The builder must make an initial investment of 30 per cent of the total cost of the building and comply with certain minimum standards established by the State Planning Commission. Loans are not to extend over a period of ten years. The land upon which the houses are erected is leased for a period of 50 to 65 years. The building of apartments for groups of four to five families is also encouraged.

The time limit for which land may be leased is set in order not to interfere with the future expansion of the city and carrying out of plans which may call for the use of the occupied land.

Vacant lots in built-up districts must be left to the use of those persons and institutions which occupy the adjacent buildings. The transfer of those lots to other persons or institutions may take place only by a sublease, after a previous agreement with the city authorities in accordance with established rules. With the transfer of buildings, however, also goes the land. In case of fire or other catastrophes the tenants of the destroyed buildings retain the use of the land on condition that they rebuild within a period of three years.

Thoroughfares, such as squares, roads, boulevards, parks and gardens, which are used for rest, amusement and educational purposes by the city population; cemeteries;[2] dumping places for snow and garbage; and streams, lakes and bathing beaches within city limits are considered public places to be used by the entire population. The use of this public territory may be free or on a fee basis. Parts of public squares may be rented out for trade; the law, however, limits such leases to a short period of time and on condition that they do not interfere with the use of the necessary space by the general public.[3]

All other lands under the jurisdiction of the city, such as forests, quarries, and lands of agricultural character including fields, meadows, pastures, truck gardens and orchards, are considered city domain and may be managed directly by the city authorities or leased to private individuals or organizations, or may be given for use free of charge in accordance with the regulation of city soviets. The development of natural resources within city domain is permitted in accordance with rules passed for this purpose by the central mining authorites. Without the permission of the central authorites, the city soviets may extract from the soil only building materials, such as rock, sand, lime; for the development of mineral resources is retained by the nation at large.

The development of agricultural lands under the jurisdiction of the city may be undertaken subject to the following conditions: The lands must be divided into sections the size of which will depend upon the character of the soil and the crops to be raised; the distribution of water necessary for irrigation; the type of agriculture which would serve best the purposes of a given city; and other special needs and peculiarities of the city and its agricultural lands. The redivision of the land already under tillage by private persons or institutions is carried out in accordance with the survey of city domain with due regard to past irregular divisions, improvement of thoroughfares, and general betterment of city territory. This, however, does not apply to lands which are directly managed or leased by city soviets.[4]

RUSSIAN CITIES PROGRESSING

As indicated in the introductory paragraph, city government as well as government generally in Russia is still recuperating from the misery of civil war, intervention, and anarchy. It can readily be seen by any observer that Russia is groping her way to democracy, a democracy radically different, to be sure, from the accepted western conception. The central government is still laboring under the psychosis of counter-revolution and intervention; hence, their fear of permitting local self-government, which results in constant interference and regulation of details of local economy, that could far better be left to the municipalities themselves. It is, nevertheless, only fair to state that the Russian cities are awakening and planning a brighter future for their inhabitants. Modern improvements are being installed in workers' quarters and greens and playgrounds are provided for sports and games. Between 1923 and 1927 over half a billion of rubles were expended in reëstablishing public services destroyed in revolution and civil war, and new public service systems have been established in thirty cities. Before the revolution only 15 per cent of the cities in Russia had public lighting systems, and only 10 per cent had electric illumination, the remainder using kerosene or gas; to date 90 per cent of the larger cities in Russia have installed electric lights. The fire-fighting apparatus in the more important municipalities has been motorized. The telephone and municipal transportation have been improved and extended and plans are underway for the construction of a subway in Moscow, the first in Russia. Without seeming unduly optimistic, no fairminded observer can deny that every attempt is being made in Russia to overcome great difficulties and that in many instances the struggle is successful in spite of the unwieldy and top-heavy soviet administrative apparatus.

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[1] More than a hundred cities in Soviet Russia have already worked out definite plans which are followed in carrying out new constructions.

[2] The city may charge for lots in cemeteries.

[3] The project of the State Planning Commission calls for removal of industrial plants to the outskirts of the city. Whereas this is frequently impossible in the case of old cities, it is followed in the planning of the so-called new cities.

[4] The conditions of lease and payment for the same are governed by rules of the Commissariat of the Interior. See Chugunov, *Gorodskiye Sovety*, p. 168.

VILLAGE MANAGER WANTED

The Village of Mamaroneck, New York, desires the services of an experienced Village Manager, who has had previous experience in municipal management.

Please state qualifications, experience and salary desired.

Address all communications to the Board of Trustees.

RECENT BOOKS REVIEWED

CORPORATION CONTRIBUTIONS TO ORGANIZED COMMUNITY WELFARE SERVICES. By Pierce Williams and Frederick E. Croxton. New York: National Bureau of Economic Research, 1930. 347 pp.

Here is a profound, thorough and thoughtful study of the science of giving, as related to corporations and social service work. It answers a number of questions which have caused discussion and hesitation. For instance, the fear that corporate giving would discourage or relieve individual giving. The facts of experience seem to demonstrate that the contrary is true. The efforts necessary to enlist corporate gifts result in spreading and intensifying individual interest. It raises new questions: for instance, what will be the plight of welfare organizations which have learned to depend largely on corporate gifts for current maintenance when earnings of corporations in times of widespread financial distress fall below the profit line; will they not find themselves, so to speak, "out of work," along with the other unemployed—unable to raise their accustomed budgets when they most sorely need them? It exhibits new factors in charitable finance: for instance, the growing importance of great national corporations with branches in many cities, in charge of more or less temporary representatives; hence the necessity of negotiating with these corporations on a national scale in order to secure equitable gifts for local community purposes. The study will furnish much food for thought and for further investigation on the part of economists, sociologists and philosophers, as well as finance committees and campaign directors who seek immediate results.

When one first turns the pages of the book and observes how much space is given relatively to one system of money raising, he is likely to feel that it was prepared primarily for the benefit and use of community chests. And so, perhaps, it was. But as one reads the book he must admit that the special treatment was not only justified but was quite inevitable. The community chests have made facts available, have for the first time furnished sufficient data to make an intelligent and comprehensive study of the subject feasible. The authors are in error, however, in seeming to infer that, except for the single efforts of the Y. M. C. A., corporation giving was practically unknown before the World War. The charity organization society movement might have been credited for leadership in developing a sense of community solidarity and community responsibility for social needs, which for fifty years had been slowly but continuously permeating the consciousness of corporations, as well as individuals. The public health movement and the leisure-time activities movement had become important parties to this also, and all these and others had been making successful inroads into the field of corporate gifts for at least twenty years before the war. They had merely scratched the surface of practical possibilities, it is true. The war charities and war chests pried loose the lid and the community chests kept it open. One wishes that the study might have gone more comprehensively into the field of non-community chest charitable financing. Nevertheless, this is the best book on charitable finance which has appeared in this generation of intensive campaigns and large gifts.

FRANK D. LOOMIS.

Secretary, Chicago Community Trust.

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LOBBYING. Edward B. Logan. Philadelphia: Supplement to Volume CXLIV of the *Annals of the American Academy of Political and Social Science*, July, 1929. 91 pp.

The author deserves high praise for this comprehensive yet concise and orderly presentation and interpretation of the facts and significance of a political practice which has become all but a legislative institution in the state and national governments of the United States. The monograph is especially in point at a time when a committee of the United States Senate has been engaged in an investigation of the congressional lobby, and it affords the necessary concrete background for an adequate estimate of the nature of a serious problem confronting popular government.

In Chapter II, "Evidence of Lobbying Activity" Dr. Logan reviews the records of the New York Insurance Investigation, the lobbying accompanying the enactment of the Pure Food Bill of 1906, the results of the congressional investigation of 1913, and the activities of tariff advocates, railroad organizations, the anti-saloon league, the public utilities, and other agencies interested in the work of legislatures. He concludes, "The 'third house of Congress' is no myth—it is a strong, real part of our governmental system."

The next chapter surveys the organizations engaged at present in lobbying activities, describing particularly the United States Chamber of Commerce, the Farm Bureau Federation, and the American Federation of Labor. Methods of lobbying are analyzed in Chapter IV, where the author expresses the belief that the lobby is the chief source of information for legislators, albeit this supply is biased information. The most effective lobbying is said to be done through indirect methods, namely, inducing constituents to bring influence to bear upon legislators, determining the choice of legislators, and moulding the opinions of constituents.

The attempts to regulate lobbying are summarized and evaluated in the next chapter, and the last dozen pages present the author's conclusions. He does not find the lobby valueless, nor by any means altogether an evil. Indeed, for those whom it represents, and sometimes for all who read the newspapers, it tends to perform the services which Walter Lippmann deemed essential to an effective public opinion, if such there may be. But just plain citizen John Doe is left pretty nearly out of account. The citizens who merely vote, the once "active" citizens, tend to fade out of the picture of the population which presents itself to legislators. "Active" citizens now must elect representatives and then join organizations designed to assure their members that their representatives represent them.

Ralph S. Boots.

University of Pittsburgh.

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Planning and Control of Public Works. The Report of the Committee of Recent Economic Changes of the President's Conference on Unemployment, including the Report of Leo Wolman of the National Bureau of Economic Research.

The latest report of the Committee on Recent Economic Changes, embodied in the book "Planning and Control of Public Works," is significant not only for its timely appearance, but also for its abundance of factual data and the importance of its conclusions. In the endeavor to determine the real place of public construction in a program of economic stability and to obtain a basis for a program of control, the committee employed the Bureau of Economic Research to make a factual survey of this subject.

Although its conclusions are clothed in general terms, the committee presents a definite idea of a place for public work in a program of business stabilization. In harmony with other recent studies, it concludes that public construction, if purposely controlled, would be "an appreciable factor in restoring reasonable economic balance." The committee, however, hastens to add that "it is only one factor." The efficacy of public work as a factor lies not so much in "withholding expenditures of public construction during years of prosperity" nor in "initiating new undertakings," but rather in skillfully expediting at the correct time "work on projects already planned." The committee thinks that the "amount of public construction" is not as consequential as the timing of the acceleration and gives much importance to the optimistic psychological effects which a well-timed acceleration of public construction would generate. Although the importance of the "amount" of public work is somewhat minimized, it is carefully stated that "long range planning and budgeting are necessary if the full value of public works as a stabilizing influence is to be developed." Such long range planning and budgeting are of importance not only for the release of purchasing power they would bring, but also for their attendant administrative machinery—city planning commissions, bureaus of municipal research, and special county and state committees—which could be used to effect a "timely" acceleration of public construction.

The committee sensed clearly the real difficulty involved in gauging a "timely" initiation of public work and suggests that the recently created division of public works improve and provide the necessary data. However that may be, it is clear that the "timely" initiation of public work is not intended to be based solely upon objective data: a "zone of tolerance" is formulated and it is only when someone believes that our economic order will soon be seriously out of balance that steps should be taken to accelerate public work. The report presents no "technique of balance" or administrative machinery for the planning and control of public work. The committee desires only to assist the public in its knowledge of economic forces and hopes that the factual survey of the National

Bureau will aid in setting up a specific program. Much work of adaptation has already been pioneered by Otto T. Mallery and others, and doubtless the committee looks to such workers to develop a "technique of balance."

The included factual report of Dr. Leo Wolman is rich in information on public construction. Previous students of the problem, handicapped by the paucity of statistical information, will cordially welcome the compilation of federal construction figures; the estimate of the volume of public construction in the United States; the new data on the financing of public construction; the encouraging chapter on planning and procedure; and the many tables and charts to be found throughout the report and in the appendices. The final chapter of the survey, a discussion of some theoretical problems, is an interesting one. Notwithstanding the comprehensive brief presented against the contraction of public work, it cannot be said that this problem is settled. In the discussion of contraction the phrases "substantial" and "wholesale postponement" are used, but the possibility of variable and limited reserves is not considered.

In summary one may say that the contributions of this able exploration of a difficult field are, first, a sharpening of a concept of public work and of its place in a program of stabilization; secondly, a healthy confidence and stimulation for further study; and thirdly, an abundant compilation of enlightening statistics which will aid welfare workers in adapting the principle of public work to our present economy.

Vernon A. Mund.

Jacobus Fellow, Princeton University.

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MISSOURI UNDER THE MICROSCOPE

The Taxation System of Missouri, Supporting Data to the Report of the State Survey Commission to Honorable Henry S. Caufield, Governor of Missouri. By Hugh J. Reber and Edwin O. Griffenhagen. November 30, 1929. 112 pp.

The State of Missouri has completed under the direction of a State Survey Commission a thorough study of the needs of the state's penal, eleemosynary, and educational institutions. The commission estimates that a total expenditure of 192,689,400 dollars will be necessary during the next ten years for capital outlays, extraordinary repairs, and increases in current expenses. In order that this increased financial burden might be distributed in the most equitable manner possible, the commission authorized the present intensive study of the state's revenue system.

The report of Messrs. Reber and Griffenhagen proposes five remedies to correct the most serious faults of the property tax and to reduce excessive and inequitable burdens:

(1) The removal of the four state levies, 13 cents in all.

(2) The granting of state aid for education and possibly other vital local government activities on a basis which recognizes the difference in tax-paying ability of the various sections of the state and the practical impossibility in certain localities of meeting with unaided local resources even the lowest standards in education and other government functions.

(3) The exemption of intangibles, such as bonds, notes, mortgages, and other credits, from property tax and reaching the net income from these forms of wealth through a graduated net income tax.

(4) The radical revision of the law and the procedure having to do with property assessment.

(5) The revision of the law governing the setting of tax rates and tax limits.

As to the inheritance tax, no changes are proposed except the transfer of the entire administration to the state treasurer or tax department if one is created. The present income tax law levies a flat rate of 1 per cent above exemptions on the incomes of both individuals and corporations. Since a large part of the increased revenues are to be derived from this source, the report urges an increase in rates on a graduated scale and a radical revision of the administrative features of the tax, the latter to include in particular the reform of the present system of local income tax assessment. To supplement the increased income tax by taxes with a broader base, the report recommends luxury or consumption taxes, such as a tobacco tax, a tax upon bottled and other soft drinks, and a tax upon admissions. In addition, the proposed scheme of taxation contemplates that businesses pay a greater state income tax, that the insurance tax on gross premiums should apply to premiums of both domestic and foreign companies, that mine properties be assessed by the state tax commission (or that a very moderate severence tax be imposed), that both the motor vehicle licenses and the gasoline taxes be increased.

Interesting and informing chapters in the report are the chapters that analyze the principal sources of state revenue in Missouri in comparison with other states, Missouri's total tax burden and capacity to pay, the tax burden on agriculture, the tax burden on business, and the tax burden upon the individual. Special chapters are devoted to a discussion of the general property tax, the inheritance tax, the net income tax, consumption taxes, business taxes, and motor vehicle taxes. Twelve tabular summaries and appendices covering sixteen pages are included in the report.

While undoubtedly differences will continue to develop on the specific recommendations of the survey, there is no denying the fact that the study is exhaustive and thorough and should prove invaluable to those who will decide the future fiscal policy of the state.

The Finances of the State of Missouri, Supporting Data to the Report of the State Survey Commission to Honorable Henry S. Caufield, Governor of Missouri. By James G. Robinson and Edwin O. Griffenhagen. November 30, 1929. 96 pp.

The first section of this report emphasizes that the serious defect in the financial structure of the state government of Missouri is the flagrant abuse of the special fund system. The state maintains over fifty special funds which have resources varying from one thousand dollars to several million dollars. Not only does this system confuse the financial condition, rendering the accounting and appropriating problems very difficult, but it also compels the carrying of millions of dollars in surplus cash that could otherwise be released for needed expenditures.. The report urges the abolition of 42 of these funds by legislative act and the discontinuance of three of the constitutional special funds by constitutional amendment. Simplification of the financial structure, concentration of the funds, adequate accounts, and modern budget procedure are vigorously recommended by the authors.

The report finds the actual condition of the general revenue fund satisfactory, but only because the complete expenditure program of each biennium, as provided for by legislative appropriations, was not followed. Had the state agencies operating under this fund been permitted to embark upon the much needed expenditure programs authorized, substantial deficits would have been incurred. But for the same period (1928) the balance sheet shows for the miscellaneous public expendable funds a combined surplus of over five million dollars, and with no evidence of curtailment of activities by the agencies supported by these funds.

The report finds completely inadequate the accounts of the state auditor in connection with the general property tax levies; no records of arrears of property taxes are maintained; no accounts are kept recording the commissions allowed to collectors during a fiscal year; the reports of the county collectors are frequently inaccurate. The chief fault here seems to be the failure of the state to provide an adequate field staff for the state auditor.

The succeeding sections of the report are mainly statistical. One section presents detailed and complete data on the financial operations of 1928, covering both revenues and expenditures. A final section, and the most elaborate part of the report, outlines the financial estimates for the years 1929 and 1930, and includes forecasts of revenues and expenditures for the ten-year period 1931–1940.

Martin L. Faust.

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Die deutschen Mittel- und Kleinstädte. Edited by Dr. Haekel and Erwin Stein. Berlin-Friedenau: Deutscher Kommunal-Verlag, 1929. 146 pp.

The *Zeitschrift für Kommunalwirtschaft* frequently publishes special numbers on various phases of German local government, and these numbers are subsequently reprinted in book form. *German Middle-sized and Small Cities* is a volume of this character and is a reprint of the August 25, 1929, number of the *Zeitschrift*. In form, arrangement, and contents, it is very similar to *Die deutsche Städte, ihre Arbeit von 1918 bis 1928*, which has already been reviewed in these columns.[1] The latter dealt primarily with large cities and with counties while the present work is concerned with smaller municipalities.

In general, "medium" and "small" cities include places having a population of 40,000 or less. Such communities are, for the most part, *kreisangehörig*, *i.e.*, they have not been detached from the county in which they are situated. They belong to the *Reichsstädtebund* (League of Cities) while the larger municipalities are numbers of the *Städtetag* (Union of Cities). In fact, one of the editors of this volume, Dr. Haekel, is president of the *Reichsstädtebund*.

The book contains some thirty general articles on problems arising out of the government and administration of the smaller cities. These articles are written by municipal officials who are experts in the subjects which they treat. In addition, there are about forty special articles dealing with particular cities together with numerous illustrations.

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[1] National Municipal Review, xviii (June, 1929), p. 405.

The symposium is indeed a timely one. The larger German cities are finding it increasingly difficult to realize the ideal of local self-government set forth by Baron von Stein, but in the middle-sized and smaller municipalities, the vitality of Stein's ideal is best exemplified notwithstanding the many difficulties of the post-war years. Moreover, the point of view of the small city is not always the same as that of the metropolis, especially with reference to such vital questions as administrative reorganization and simplification, annexations, finance equalization, etc. In short, *Die deutschen Mittel- und Kleinstädte* performs a very useful service in bringing together much valuable material on the smaller but by no means insignificant urban communities of Germany.

Roger H. Wells.

Bryn Mawr College.

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Municipal Government and Administration in Iowa. Edited by Benjamin F. Shambaugh. Iowa City: The State Historical Society of Iowa, 1930. 2 vols., 608 and 668 pp.

These two volumes, totaling nearly thirteen hundred pages, are an ambitious and successful attempt to describe in considerable detail the governmental organization and administrative machinery of Iowa cities. Since they are made up of a series of twenty-two monographs, by eleven different authors, it is inevitable that there should be a certain lack of continuity, and that numerous duplications should creep in. Yet the work has been well edited, so that these defects are not serious.

The first volume deals very ably with the complicated problem of city-state relations, and includes also chapters dealing with the municipal electorate, the mayor, the council, the city manager, the clerk, the treasurer, the assessor and other municipal officials. Volume two is devoted to studies of municipal finance, administration of justice, public safety, public health and other city functions.

For the most part, the two volumes are well written, although there are wide variations as between chapters and authors. The monographs by Jacob Swisher and by Ruth Gallaher are deserving of especial mention by virtue of the unusual care with which they have been prepared.

There is one criticism, applicable to the entire work, which seem sufficiently important to be worthy of mention. Every phase of government and administration is treated almost entirely in terms of the constitution and laws, rather than in terms of actualities. The authors do not seem to be especially interested in what city officials are really doing, and what they are failing to do. There is no doubt, however, that the vast wealth of material included within the two volumes will prove of considerable interest to every student of municipal institutions, and of especial value to those who are directly concerned with the affairs of Iowa cities.

Austin F. Macdonald.

University of California.

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Rural Municipalities. By Theodore Bergen Manny. New York: The Century Co., 1930. Pp. ix, 343.

The author of this attractive little volume states his real purpose rather tardily at page 210: "Doubtless the reader has surmised before this that one major purpose in these chapters is the recommendation of some plan for incorporation of self-determined rural areas into municipalities for purposes of local self-government."

He succumbs to the temptation to trace a historical background of local government and devotes half a dozen chapters to finding origins in mediæval Europe, to comparing French, German and English local institutions, and to tracing the emergence of the various familiar types on American soil. Then come two splendid chapters wherein a real contribution is made, for he discusses "Rural-Development Legislation" and criticizes it in a thoroughgoing fashion that is most illuminating. In narrative style, and also by means of numerous tables, he shows what the various States have been doing in the past two decades to make it possible for counties and townships to afford to rural people some of the manifold benefits of expanding government service that city dwellers have received. The account is most interesting, and shows how, by means of much permissive legislation, and some that is mandatory, the state legislatures have attempted to meet the demand for city services in rural communities.

And Mr. Manny is quite at his best in commenting upon this legislation, showing its futility in many respects, and pointing out how the rigid, formal structure of counties and townships so often defeats the ultimate purpose, even when the clumsy special district is superimposed upon them. He argues cogently for a type of local organization that departs radically from the orthodox county-township structure, and makes his reader see great benefits for rural people.

As might be expected his specific proposals for the ideal "rural municipality" leave one with many doubts and mental reservations. He properly deplores the incorporation of great multitudes of tiny villages and towns, for they take the very heart out of rural areas, leaving the surrounding farm people adrift as it were. And he thinks it would be possible to mark out "natural" rural units, clustering about trade centers. These natural areas, embracing people who are conscious of a keen sense of unity, economic and social, could well be erected into a new type of municipality, suggestive of the New England town. They would be vigorous, healthy political entities capable of serving rural people on a scale fairly comparable with the service that cities now extend to urban dwellers.

One can agree that existing local areas are highly artificial and greatly lacking in unity; but one may gravely doubt if it would be possible to stimulate much interest in local self-government even within an area which ardent reformers might fancy to be a "natural unit." The drift in the direction of state control of such important services as highway construction, education, charities, tax assessment and collection, police, etc., may well balk the best of efforts to revive the waning interest in literal local self-government.

About fifty pages in an appendix are devoted to the text of a proposed rural municipality incorporation law.

Kirk H. Porter.

State University of Iowa.

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Philadelphia Traffic Survey, Report No. 5. West Philadelphia. Prepared under direction of Mitten Management, Inc., May, 1930.

This number of the series of traffic reports to the Philadelphia Chamber of Commerce not only analyzes street traffic in West Philadelphia and recommends its regulation through restriction of parking, installation of signals and the adoption of through and one-way streets, but also proposes extensive alterations and additions to the street plan so as to provide a network of main arteries based upon the stated ideal plan of "a rectangular system of main traveled streets connected by several well-designed radial arteries which converge upon the most congested part or parts of the community."

The numerous plans presenting the details of these proposals are made unusually effective by the general use of wash colors. No estimates of cost are given, but special benefit assessments or excess condemnation are recommended to pay the bills. It is suggested that the entire report be referred to the newly appointed traffic commission and traffic engineer and that the proposals for street changes be referred to the newly appointed city planning commission.

Arthur C. Comey.

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MUNICIPAL REPORTS

Staunton, Virginia. *Twenty-second Annual Report for the Fiscal Year Ending March 31, 1930.* Willard F. Day, City Manager. 61 pp.

For many years the municipal reports of Staunton have attained very high standards of public reporting. This last issue is no exception. To begin with they are published promptly after the close of the period covered. This year less than six weeks had elapsed before the report was available to the taxpayers. The inside front cover contains a table of the more pertinent facts about the city, and this is followed by an official directory and an organization diagram giving all the departmental units and their relationship to each other. The diagram, however, contains certain organization units for which no report is found in the pages of the report. This is true of the board of zoning appeals, library board, city attorney and the engineering department. The contents page, which is found in the back of the report, would seem more appropriately placed at the beginning. To attempt a full enumeration of all the good qualities would be too lengthy for this report; it rates higher than any report thus far reviewed in these columns this year.

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Summit, New Jersey. *Annual Report for the Fiscal Year Ending December 31, 1929.* John P. Broome, City Supervisor. 49 pp.

The report of Summit this year registers a distinct advancement over the previous issue. The diagrams, charts, and pictures are improved, and the important facts are better emphasized.

The inclusion of an organization chart is also commendable. It fails to show, however, either the board of education or the light department, both of which are reported in the text. A table of contents would be a great aid in readily locating specific information, and a summary of the year's outstanding accomplishments would also serve a useful purpose. The comparative data and financial statements are well presented. The report as a whole is a very creditable work.

Clarence E. Ridley.

The University of Chicago.

REPORTS AND PAMPHLETS RECEIVED

EDITED BY E. K. OSTROW

Librarian, Municipal Administration Service

Third Progress Report on Hudson River Bridge.—Prepared by the Port of New York Authority, April, 1930. 45 pp. This is a summary of what has been accomplished since the second progress report was submitted. Plans for the approaches to the bridge on the New York and New Jersey sides are given, also photographs and maps of various phases of construction. (Apply to Port of New York Authority, 75 West Street, New York City.)

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First Progress Report on Kill Van Kull Bridge.—By the Port of New York Authority, April, 1930. 39 pp. The location and general description of the bridge, bids for construction work, and a section on research work with construction materials, are some of the outstanding subjects in the report on the Kill Van Kull Bridge which is now being built between Bayonne, New Jersey, and Port Richmond, Staten Island. The report also contains many photographs of the work and sketches of proposed approaches. (Apply to Port of New York Authority, 75 West Street, New York City.)

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Directory of City Officials of Colorado.—Compiled and published by Colorado Municipal League, Boulder, Colorado, June, 1930. 40 pp. (Mimeographed.) This directory contains a list of city officials for 1930 for 221 of the 230 incorporated towns and cities of the state of Colorado. There is also given the population according to the 1920 census, the time of the regular council meetings, and the annual salaries paid. (Apply to the Colorado Municipal League, University of Colorado, Boulder. Price, $1.00.)

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Studies in State Educational Administration.—By the Research Division, National Education Association, Washington, D. C., December, 1929. 57 pp. (Mimeographed.) In 1929, legislatures of forty-six states and territories met and in almost every instance significant policies affecting the schools were fixed. The decisions of state legislatures have a profound affect on the welfare of the schools, the children, and the teachers. This study is a review and summary of the most important aspects of 1929 state school legislation. No attempt is made to compile an exhaustive digest of all laws, but it is rather a summary of certain new and proposed laws on educational topics of general interest. Minor administrative adjustments and most of the routine appropriation measures are not included. A few bills of special interest which were not enacted into law are also included. (Apply to the National Education Association, 1201 Sixteenth Street, N. W., Washington, D. C. Price 25 cents.)

⁂

Traffic Safety and Facilitation.—Reports issued for consideration in advance of the Third National Conference on Street and Highway Safety held in Washington, D. C.

Committee reports:
- Maintenance of the Motor Vehicle.
- Uniform Traffic Regulation.
- Measures for the Relief of Traffic Congestion.
- Traffic Accident Statistics.
- Protection of Railway Grade Crossings and Highway Intersections.

Model Municipal Traffic Ordinance.

Proposed uniform vehicle code consisting of the following parts:

I. A Uniform Motor Vehicle Registration Act.
II. A Uniform Motor Vehicle Anti-Theft Act.
III. A Uniform Motor Vehicle Operators' and Chauffeurs' License Act.
IV. A Uniform Act Regulating Traffic on Highways.

Copies of these publications may be secured from the National Conference on Street and Highway Safety, 1615 H Street, Washington, D. C.

✠

The Roadsides of North Carolina; A Survey.—Published by the American Nature Association of Washington, D. C., for the National Council for Protection of Roadside Beauty. 34 pp. Since a great part of the traffic upon our highways is for recreational purposes, consideration should be given to the beautification and improvement of the roadside. Mr. and Mrs. Lawton, who were engaged in this survey, have shown, by numerous photographs, typical examples of the damage done by billboards, filling stations and hotdog stands. They have also pointed out what can be done to improve roads and highways by planting, more attractive town markers, and by strict enforcement of the advertising law of the state. (Apply to the American Nature Association, 1214 Sixteenth Street, Washington, D. C.)

✠

Ohio Conference on Water Purification, 1929 Report.—Columbus, Ohio, October, 1929. 107 pp. At the ninth annual meeting of the Ohio Conference on Water Purification swimming pool design and sanitation and the odor and taste problem were subjects which received much consideration. One section of the report deals with miscellaneous plant problems handled by various members. Abstracts of papers and discussions are given, but the full text of most of the reports is included in the appendix. A list of municipal water treatment plants in Ohio, as of March, 1930, comprises the final appendix. (Apply to State Department of Health, Columbus, Ohio.)

✠

Testing Equipment for Large-Capacity Scales for the Use of Weights and Measures Officials.—Miscellaneous publication No. 104, U. S. Department of Commerce, Bureau of Standards. Prepared and assembled by Ralph W. Smith, Senior Engineer. Washington, D. C., February, 1930. 17 pp. An effort has been made in this publication to present a convincing argument for the procurement of suitable equipment for the testing of large scales, and descriptions of typical outfits in successful operation by weights and measures officials. The official seeking such equipment will then be in a position to supply to the members of the town or county board, or city council, a summary of the results of the experiences of other officials in addition to his own recommendations. (Apply to Government Printing Office, Washington, D. C. Price, 10 cents.)

✠

State and Municipal Regulation of Radio Communication.—By Paul M. Segal and Paul D. P. Spearman. Washington, D. C., May, 1929. 16 pp. Radio regulation is a new field of jurisprudence which must be based on sound engineering, as well as legal principles. In this pamphlet, two experienced men discuss the engineering aspects of the problem. An attempt is made to establish a uniform and scientific system of control. Radio laws may be classified into those which provide direct local control of radio transmission or apparatus, anti-nuisance laws, and laws dealing with apparatus construction. The authors have discussed the validity and the policy of the various state and municipal laws falling into the above broad classification, and the scope of local regulation. There is also an appendix containing two anti-noise ordinances. (Apply to U. S. Government Printing Office, Washington, D. C. Price, 10 cents.)

✠

Index to United States Daily.—The Annual Index to Volume 4 of the United States Daily, for the year ended March 4, 1930, was released in August. This large volume of some 500 pages comprises considerable interesting material. Fifty court cases involving municipal corporations have been concisely summarized. Ten court cases involving municipal taxation are analyzed and the ordinances of seventeen cities, participating litigants, are summarized. Other subjects of interest to leaders in municipal affairs are: municipal liability, municipal utilities, zoning, and traffic regulation. (Apply to the United States Daily, Washington, D. C.)

✠

Municipal Golf Courses.—Issued by the Public Links Section, United States Golf Association, New York City, 1930. 31 pp. The 1930 edition of this pamphlet contains a list of golf courses operated by municipalities throughout the United States, together with such statistical data as cost of operation, fees charged, clubhouse facilities, and the names of the professionals in charge. (Apply to United States Golf Association, 110 E. 42 Street, New York City.)

✠

Report of the State Board of Housing.—Legislative Document (1930) No. 84. Albany, New York. 105 pp. The first section of this report is given over to a description of limited dividend corporations organized and operating under the state housing law. In addition to promoting projects under the law, the efforts of the Board are directed toward the improvement of housing construction in general. For this reason, the Board presents the results of certain cost studies which should prove interesting to all prospective builders of moderate cost multi-family houses. Section II summarizes the results of an inquiry into housing conditions in the older and more deteriorated sections of New York City. The New York State Department of Health, the New York State Conference of Mayors and the Board of Housing have cooperated in preparing a model housing code for the use of municipalities throughout the state. A description of this code will be found in Section III. The fourth section of the report is devoted to a discussion of several proposed amendments to the state housing law which the Board considers necessary to meet the changing conditions and to facilitate its practical application. These proposed amendments are presented with explanatory notes in the final section. (Apply to the State Board of Housing, Albany, New York.)

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Pavements for Modern Traffic.—Portland Cement Association, Chicago, Illinois. 1930. 28 pp. Street problems such as the value of good pavements to the community, paving practices on steep grades, between car tracks, on heavy traffic streets, etc., which confront city officials, business men and property owners are discussed in this booklet of the Portland Cement Association. (Apply to the Portland Cement Association, 33 West Grand Avenue, Chicago, Illinois.)

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Certain Phases of Rural School Supervision.—Bureau of Education, Department of the Interior, Washington, D. C. Bulletin (1929) No. 28. 48 pp. This bulletin contains abstracts of addresses delivered at a two-day conference of state and county rural school supervisors in the southern states called by the U. S. Bureau of Education in December, 1928. The program of the convention was arranged to consider the following subjects: Problems of special current interest in rural school supervision, certain significant factors in the solution of supervisory problems, extension of information concerning rural school supervision, and the improvement in teachers' meetings. (Apply to Superintendent of Documents, Washington, D. C. Price, 10 cents.)

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Playground and Recreation.—Yearbook Number. May, 1930. 148 pp. The 1930 yearbook of the Playground and Recreation Association of America is a report of the public recreation facilities, leadership, expenditures, and programs of American municipalities. It is a statement of community recreation activities conducted under leadership and of facilities used primarily for active recreation. Recreation programs provided by industrial concerns and other private agencies for the benefit of the entire community and which are not restricted to special groups are also reported. Similarly, reports of many school playgrounds, recreation centers, and other recreation service provided by school authorities are published, but statements concerning school physical education programs are not included in the yearbook. (Apply to the Playground and Recreation Association of America, 315 Fourth Avenue, New York City. Price, 50 cents.)

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Report on Curb Parking Survey of Central Traffic District.—Department of Public Works, Bureau of Engineering, San Francisco, California. February 10, 1930. 7 pp. (Mimeographed.) The Bureau of Engineering here presents a thorough analysis of curb parking in the Central Traffic District of the city. There are two tables, one showing the total automobile storage capacity of the District, segregated as to type of storage conditions and as to type of restrictions on storage; the other, the distribution of total curb space in the same area. A map showing each crosswalk, safety zone, driveway, hydrant, taxi stand, alley, loading zone, passenger loading zone, and each garage and parking lot together with its stall capacity for the District is also included. (Apply to the City Engineer, Department of Public Works, San Francisco, California.)

GOVERNMENTAL RESEARCH ASSOCIATION NOTES

EDITED BY RUSSELL FORBES

Secretary

Recent Reports of Research Agencies.—The following reports have been received at the central library of the Association since June 1, 1930:

Cincinnati Bureau of Governmental Research:
  A Preliminary Financial Analysis as a basis for a proposed Joint Bond Program, 1930.
Detroit Bureau of Governmental Research:
  Waste Disposal by Incineration.
Kansas City Public Service Institute:
  Kansas City Firemen's Pension Fund.

❖

California Taxpayers' Association.—The Association has undertaken a study of the industrialization of the state penitentiaries at Folsom and San Quentin. A study of forty state prisons reveals that the earnings per prison inmate in the United States for the year 1927–28 averaged $170.36, as compared with $13.13 for San Quentin and $3.88 for Folsom. The Association favors the providing (in state prisons) of useful employment, which will not be in competition with free labor or private industry.

The Association recently completed a detailed study of the proposed civic center for Fresno City and County.

Budget studies have been made by the budget department of the Association for the following communities: City of Los Angeles, Los Angeles County, Alameda County, Fresno County, City of San Diego, San Diego County, Marin County and the City of Glendale.

The research department has completed the survey of the general hospital of Fresno County, which was made at the request of the county board of supervisors. The survey reveals that the operative costs of the general hospital are not excessive and that the trend of expenditures over the past ten years has not been out of line with the natural growth of the county. Sixty-one per cent of the entire number of hospital beds in the county are charity beds (publicly supported) and 39 per cent are in private hospitals. This high percentage of charity beds is due to two factors: first, the peculiar social and economic conditions which prevail in the county; and second, an apparent laxity on the part of the social service workers who have charge of admitting patients to the hospital. The survey showed that the hospital is ably managed and there is no evidence of administrative laxity.

❖

Des Moines Bureau of Municipal Research.—The Bureau has appealed to local taxing subdivisions to hold down 1931 tax levies, on the grounds of local economic conditions. It has prepared data on delinquent taxes, assessed valuations and other economic factors.

Coöperating with the school board, the Bureau is preparing a plan for amortizing the $8,000,000 outstanding school bonded debt, a large portion of which is composed of term bonds for which no sinking fund reserve has been set up.

The Bureau is preparing an exhaustive analysis of the local garbage collection and disposal system. It objected to a proposed contract by a hog-feeding concern because of the additional expense of hauling. The hog-feeding concern has made a new offer which is more advantageous to the city.

The Bureau has coöperated with the department of public safety and the state examiners in revising the dance hall records and ordinance. This resulted from investigations made by the Bureau and the state examiners, which revealed irregularities in the former procedure.

The Bureau has recently issued the following reports, most of which were printed in local newspapers: local tax rates since 1904; summary of city departmental expenses 1925–29; city, county and school election expenses and vote 1924–29; how much Des Moines would probably pay under proposed state income taxes; comparison of taxes paid in six Iowa and Wisconsin counties of similar population; and barometers of local business conditions and tax factors 1920–29.

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Detroit Bureau of Governmental Research.—William P. Rutledge, former commissioner of police of Detroit, and Arch Mandel, formerly of the Detroit Bureau, and now secretary of the Dayton Community Chest, have just concluded a survey of the police department of Pontiac, Michigan, made under the authority of the city commission and the city manager. The survey covers the organization of the department, selection and training of men, the coördination of the record system, and general administration. The recommendations will be made effective under the direction of Mr. Rutledge during the forthcoming year.

Mr. Rutledge, who has become associated with the Detroit Bureau in a consulting and advisory capacity on police matters, was in the Detroit police department for more than thirty years, filling practically every rank in the service. He retired several years ago to accept the appointment as police commissioner at the instance of the mayor. Mr. Rutledge is a former president of the International Association of Chiefs of Police, and is now chairman of the Committee on Uniform Crime Records, whose work has been concluded with such notable success. He is also the originator of the radio control patrol cars, this system being first inaugurated in the city of Detroit under his direction.

The trustees of a large bequest to be devoted to the care, maintenance and education of crippled children in Michigan have retained Lent D. Upson, director of the Bureau, to conduct a survey of the situation with respect to the crippled children within the state. Miss Opal Matson is assisting. The report will probably be completed in the early fall.

The success of the Citizens' Committee, appointed by Ralph Stone, president of the Detroit and Security Trust Company, for the purpose of advising council with respect to the city budget, has been such that the committee has been made permanent. Lent D. Upson and C. E. Rightor are secretary and assistant secretary. During the consideration of the budget the committee submitted four reports to the mayor and the council pointing out specific instances in which it was believed that reductions could be made. The newspapers gave large space to the proceedings of the committee and its recommendations, and members of council were frank to say that the moral support furnished made material reductions in the budget possible. It is estimated that the tax rate was actually reduced by about $1.50 per thousand through the coöperation of the council and the committee. Important bond proposals were deleted, including a supplementary one for the construction of a new house of correction.

The recommendations of the Citizens' Committee on Finance that city authorities eliminate state prisoners from their charge were carried out by an agreement with the governor with respect to male prisoners. In consequence, the appropriation for the new house of correction has been halved, with a saving of $1,250,000. Also, the new construction designed only for city misdemeanants will be along entirely different lines and will allow experimentation with a new type of custodial care. The new prison will consist primarily of suitable barracks to house from forty to fifty men each. In addition it is expected to build a cell block to house two hundred unruly prisoners and those for whom warrants have been issued by other jurisdictions.

George Graham, graduate student at the University of Illinois, has spent the summer months with the Bureau, preparing a manual on special assessment procedure in coöperation with city offices in the assessment division. Mr. Graham has just received his doctor's degree at the University of Illinois, his thesis subject being "Special Assessment Procedure in Detroit," the data for which was secured while working on the staff of the Detroit Bureau.

The insistence of the Bureau that a large sum of money could be saved each year by the use of incineration for Detroit's municipal refuse has finally resulted in a junket of the city council to visit Eastern incinerator plants. However, the issue is so confused with personalities, politics, and contracts that the early adoption of this system of waste disposal is not anticipated.

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The Bureau of Public Research (Jacksonville, Florida).—The Bureau has since January 1 turned its attention to Duval County finances. In view of an apparent shortage in one county office, the Bureau passed a resolution requesting Governor Carlton to furnish auditors to check all county offices. Three auditors were sent in and to date have completed reports on all but one county office. The Bureau has published summaries of these audits including that of the board of county commissioners. The auditor's report showed a shortage in some offices and numerous violations of law. It is apparent that our comments and the auditor's report are having a beneficial effect on the board of county commissioners who at their June 30 meeting ordered a reduction of salaries, smaller payroll and more economical methods of purchasing.

On May 30, the Bureau published a tentative budget showing a possible tax reduction for Duval County of 10.7 mills. There is assurance that this reduction in millage will be embodied in the permanent county budget for 1930, the school board having already made a reduction of one mill over last year. The Bureau is at present engaged on an intensive study of further possible budget economies for the City of Jacksonville.

The governor has expressed the wish that each county of Florida might have a non partisan, fact-finding organization similar to that of the Bureau of Public Research.

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The Taxpayers' Association of New Mexico.—The Association is devoting its efforts during the summer months to assisting the state tax commission in the preparation of the annual budgets for counties, cities, towns, villages and school districts. Assistance is also being given by the Association to the governor in checking the annual budgets submitted by the state departments and state institutions.

✣

Bureau of Municipal Research, University of Oklahoma.—Two students of the school of citizenship and public affairs are carrying on work on two research problems under the direction of James W. Errant, assistant director of the Bureau. One student is making a study of garbage disposal in all cities and towns of Oklahoma. On the other problem, questionnaires have been sent to all cities and towns in the state for information to be used in compiling our annual directory of city officials of Oklahoma. We plan to include much more information than ever before and we also are making an effort to cover every municipality in the state. These two projects will be completed the latter part of September.

Dr. J. T. Salter, secretary-treasurer of the Oklahoma Municipal League, has resigned and Roy Eaton has been appointed to fill the vacancy, effective September 1. Dr. Salter has recently accepted an appointment as associate professor of government at the University of Wisconsin. Lynden Mannen will assume the position of managing editor of the *Oklahoma Municipal Review* and Mr. Eaton will become the business manager.

✣

Schenectady Bureau of Municipal Research.—A committee has been appointed from the board and the membership of the Bureau to study and report upon the state law which permits the setting up of a single-headed department of assessment and taxation in place of the present elective board of four members. In a preliminary study made two years ago, the Bureau examined this branch of municipal government and the present committee is now studying that survey.

Last year the Bureau made a study and recommended that the city draw up a new and modern building code. It is now reported that the next annual budget will carry an appropriation for this much-needed work.

The Bureau staff is still writing various sections of the police report. It has been decided to appoint a committee from the board and Bureau membership to pass upon this survey. The importance of the work makes such a step highly desirable.

As a result of Bureau activity, the new state law, which will permit purchasers at tax sales to obtain clear title to property, is now before the common council. According to reports, early and favorable action is expected.

The Bureau board has decided to request a conference with the board of estimate and apportionment during its work on the preparation of the 1931 budget. A similar conference was held last year and the Bureau hopes to make these meetings an annual event. The Bureau staff is working on a number of suggestions for inclusion in the budget.

The capital budget commission has continued its work on the income side of the capital budget and its revised projections on future income now await the receipt of this year's funds from the office of the state comptroller. At its next meeting the commission will discuss the new current expenditure estimates which have been submitted by department heads for the additional years 1934 and 1935. Although the commission is constituted primarily for the purpose of considering municipal debt policies, it has performed important work to date in connection with administrative affairs. It has made a number of suggestions to heads of departments and will undoubtedly fill an important place in city government in this respect.

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Toledo Commission of Publicity and Efficiency.—The interests of the Commission during the last three months have been centered mainly on the salary scale for city employees and remedies for its inequalities, and the question of city-county consolidation. In several issues of the *City Journal* it was pointed out that the salary ordinance was defective, that a re-classification and standardization of positions and salaries was needed on account of piecemeal salary revision methods; and that no salaries should be raised during the present year on account of stringent financial conditions. The Commission made two definite recommendations: (1) that there should be no salary revision except in the most exceptional cases until a classification and standardization study had been made; (2) that the salary ordinance, when and if it is revised, should include a range of salary applicable to each position, with provision for automatic, or semi-automatic, raises on a basis of experience, length of service, and efficiency on the job.

A resolution introduced into council endorsing the consolidation of city and county government caused the subject to be referred to the Commission for general information on city-county consolidation and regional government. The experiences of other cities with city-county consolidation, with city-county separation and regional consolidation, as well as the experiences of cities where consolidation is needed, but has not yet taken place, were analyzed. A report was made to the city council on the matter on June 25 and action was deferred by the council until time for further study by its members. City-county consolidation in Ohio is impossible until the constitution is amended, but an attempt will be made to secure action by the Legislature at its 1931 session. Members of the council expressed a desire to have the matter discussed in a public meeting before themselves, county officials and other groups interested in the measure, at an early date.

NOTES AND EVENTS

EDITED BY H. W. DODDS

Magistracies C. O. D.—New York's scandal-of-the-month for August concerns City Magistrate George Ewald. Its publisher is United States Attorney Charles H. Tuttle. It bids fair to be a best seller.

The story affords an interesting sidelight on the manner in which magistrates are appointed in that city. Having been informed that Judge Ewald had said he paid for his job, Mr. Tuttle, while poking among the affairs of the Ewald family, which has since been indicted for fraudulent stock promotion, found some trace of money passing from Mrs. Ewald to a Tammany district leader named Healy and one Tom Tommaney, a Tammany healer. Healy, Tommaney and Mrs. Ewald all refused to testify before the federal grand jury on the ground that it would tend to degrade and incriminate them.

Mayor Walker, with evident impatience, ordered Healy's suspension as deputy commissioner of plant and structures. The Tammany district attorney summoned the persons involved, but the grand jury refused to take action. Even Leader Curry was moved to assure us that Tammany stands for "clean government." Mrs. Ewald next explained that the $10,000 which she gave Tommaney for Healy was in fact a loan, though without interest, and that she had received his note, though unfortunately this had been lost. The judge himself insisted that he did not know even of the loan and that though he had seen Healy and had been assured of his support he attributed the appointment to the influence not of Tammany but of the Steuben Society. This Mayor Walker confirmed.

Tammany had not, however, reckoned with the present energetic leadership of the city bar association or the presidential ambitions of Governor Roosevelt. The Governor, on the appeal of the former and of Rabbi Stephen S. Wise, summoned a special grand jury and directed the state attorney general (a prominent Republican aspirant for gubernatorial honors) to present the Ewald case. Moreover, he summoned the appellate court which was recently given enlarged jurisdiction over magistrates and they have appointed a special master to examine into the purchase price of these judgeships generally.

Joseph McGoldrick.

Zoning à la Carte in New York.—New York City has the distinction of not only being the first city to undertake zoning but the first to contribute a major scandal to the history of that important and far-flung movement. Though there have been rumors of spoils on a grand scale in the administration of exceptions to the city-zoning code, it remained for the indefatigable United States District Attorney Tuttle to get results.

When the zoning ordinance was enacted in 1916 the board of standards which had had important duties in connection with fire hazards, safety appliances and the like was enlarged and given power to make exceptions to the zoning regulations. The board consisted of seven appointed members and six who served ex officio. The latter were the building superintendents of the city's five boroughs and the chief of the force of the fire department.

The appointive members constituted a board of appeals with power to overrule the larger body. Just before Mayor Walker took office the board was reorganized and reduced to five members, four of them appointed by the mayor and the fifth being designated by the fire commissioner from among his higher ranking subordinates.

Mayor Walker continued William E. Walsh, his close personal friend, as chairman. Even at this time there was much gossip of a "ring" of successful practitioners monopolizing the board's work. Various civic organizations and Republican candidates had sought hard after evidence but without success. At length, for reasons unknown to this observer, Chairman Walsh incurred the enmity of William Randolph Hearst. Seizing upon a Walsh aphorism uttered at a session of the board that "there is a sense of larceny in all of us," the Hearst papers set about, as only they can, to drive him from office. Mayor Walker had planned that Walsh should have the place of Grover Whalen, who had fallen from favor. Forced to abandon this, he nonetheless publicly proclaimed his confidence in his close friend Walsh.

The Hearst papers hammered away with stories and cartoons. At length United States District Attorney Tuttle began to check up the income tax returns of Dr. William E. Doyle, former veterinary (or horse doctor, as the Hearst papers delight to call him) and most successful counsel before the board. He was able to disclose that in less than four years Dr. Doyle had bank deposits of at least $500,000 but had filed income tax returns for substantially less. Questioned about this he insisted that his fees had been split with someone, but refused to answer further questions, lest he incriminate himself. His trial, however, resulted in acquittal of perjury and disagreement on other counts. He is promised another.

Inquiry also developed that Mr. Walsh was living in a $4,800-a-year apartment owned by a successful applicant before his board but for which he paid a modest $1,500. He insisted this was a good, but quite innocent, bargain. The grand jury thought otherwise and indicted him. The mayor made a special visit to City Hall to await the Walsh resignation and promptly accepted it. A committee of sixteen citizens and real estate men was quickly appointed to consider possible changes in the powers and procedure of the board but not its past practice.

JOSEPH MCGOLDRICK.

⁂

Street-Widening Programs for Detroit.—As a result of a long-term financial program for Detroit presented by former Mayor Lodge in July, 1929, a report of a ten-year street widening program has been recently presented jointly by the rapid transit commission, the city plan commission and the department of public works.

The report lists in the order of importance such streets as are indicated by the master plan of street widenings, adopted in 1926, and the method by which the construction can be financed. While the report covers a ten-year period, it indicates that the program can be financed within five years by the revenue from the present mill tax dedicated to street openings and widenings. The majority of the streets are to be widened to 120 feet, although a few are listed for greater widths. There are two methods of financing—one group, consisting of the important cross-town streets to be financed by payments of 50 per cent by the county (Detroit pays 80 per cent of the county tax), 25 per cent by the city at large, and 25 per cent by the special assessment district. The other group is composed of short stretches of streets of lesser importance, which are to be financed by a division of cost of 75 per cent by the city at large and 25 per cent by the special assessment district.

While this report was being prepared the essential details were presented to several improvement associations throughout the city for comment. The secretary of one organization brought out a plan of his own, based on improving the same streets but adding (1) a plan for the state to participate in financing street widenings by a more liberal apportionment of the automobile weight tax than at present, (2) the program to be consummated within a three-year period and (3) that no special assessments be charged, but later this was modified to use special assessments as little as possible. For a time this plan threatened to eclipse the original plan, but it has now apparently been discarded due to a tenative agreement with the state whereby five important streets within the city limits, designated as state highways, are to be widened with the state accepting 50 per cent of the cost and the balance to be equally divided between the city at large and the special benefit district.

Recently, still another plan has been put forward by the road commission of Wayne County, in which Detroit is located. This plan is much more ambitious than the other two, contemplating an expenditure of some $100,000,000 for right of way alone, of which 20 per cent is to be borne by the special assessment district and the balance by the county at large. Essentially, the streets to be widened are the same as in the joint report made to the council, except in place of 120-foot streets, the county provides for 70 miles of 204-foot streets. The policy of extremely wide streets "involves striking out in a new field, in a new direction with original ideas." The Wayne County road commission is composed of three members, elected for a six-year term, with one member being elected at the regular county election held each two years.

The board of supervisors, the legislative body of the county, through its ways and means committee, has agreed to the plan "in principle," but as it involves the submission of a bond issue to the electors, together with an increase of one mill in addition to the present mill tax for county roads, it is far from an accepted program as yet. The advantage of the county plan is the practically unlimited capacity of Wayne County to issue bonds as contrasted to the very small margin remaining for Detroit. The disadvantage is the immense cost, the lack of popular control over the governing body, and the excessive width of the streets contemplated—it has been held that an extremely wide street, that is, one over

100 feet, is a detriment to a proper development.

The usual division of cost of street widenings has been 50 per cent by the special assessment district, and 50 per cent by the city at large. It will be noted that in all the plans outlined the special assessment district is to bear only 20 per cent to 25 per cent of the cost. It is urged that the lesser proportion is more equitable, as a widened street which changes its utility requires a number of years for any increment in value to develop. This is undoubtedly true of some widenings, but it is equally true that many of the difficulties resulting from the present division of costs are due to lack of appreciation of the proper sized benefit district and what constitutes an orderly apportionment of costs within the district.

There has been no official action taken on any of the plans submitted nor any strong support to any one of the projects. The most hopeful aspect of this mélange of programs for providing more space for Detroit's automobiles is the real thought that is being given to an orderly planned program, with due consideration to the methods of financing.

James M. Leonard.
Detroit Bureau of Governmental Research.

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Two Opinions on "Before and After" Manager Government in Watertown.—

To the Editor of the National Municipal Review:

In your magazine, June, 1930, you published an article headed "Watertown Politicians Dismiss City Manager," which article I judge was intended as a protest against Mr. Ackerman's summary dismissal in which protest many people in Watertown are glad to join, myself among them. But, having made this protest, would it not have been well, all things considered, to stop there? You make comparisons between the "Manager Government" and the "Old Government," not flattering to the latter, which comparisons it seems to me serve no good purpose and in some cases are misleading. For instance, you say: "When Watertown adopted manager government, the city was in bad financial condition." Was not this a very serious charge to make and a decided reflection upon the men who made up the old government? And was it true? If the same charge had been made against an individual or a bank, I am sure trouble would follow.

You proceed further to say: "Bonds had been refunded time and time again." This proceeding may have been resorted to occasionally, but the instance in 1923 (the third year of manager government) was the first time in many years. In this case $35,000 of water bonds were refunded.

Still further you say: "Watertown City Hall was built forty years ago, yet, not one cent had been paid on the principal and the city had paid out in interest during those years an amount equal to several times the principal." The city hall was built in 1896, the bonds issued the same year and the dates of payment fixed, which dates have never been changed. No intervening administration can be censured for not paying them. They could not be paid until due. Manager government came to Watertown in 1920. These city hall bonds were then twenty-four years old, not forty. They bore an interest rate of 4½ per cent—the amount $40,000. A simple calculation will show you that the city has paid in interest somewhat less than "several times the amount of the principal." This city hall story has been repeated so often that it becomes somewhat of a "chestnut," if you will pardon my saying it. Probably to build a city hall today duplicating the one we have would cost at least $120,000. Meantime the city would have been obliged to rent quarters as they were doing back in 1896, probably in these times at a cost of $8,000 per year anyway. This city hall job may have been a case of bad financing, but not a bad case of business foresight.

Again you say: "The waterworks department was organized in 1853, yet, from 1853 to 1916, not one dollar had been paid on the principal of the water department bonds, and the latter year (1916) but $5,000 was paid." Wrong again! I am informed payments began in 1907. In 1916 a payment of $20,000 was made instead of $5,000.

Still again you say: "When city manager government took effect here, the water department had a bonded debt of $321,000. In ten years this debt has been reduced to $10,000 and will be entirely wiped out this year. Every year thousands of dollars of debts contracted under the old aldermanic system of government are paid off." The figures in the above quotation would indicate that the manager government in ten years had paid $311,000 in water bonds. I offer as an amendment that instead of $311,000, this be made to read $226,000 which, I believe, is the correct figure.

Referring to the last clause in your quotation probably it can be said with equal truth and no doubt will be said by succeeding administrations that they are paying each year thousands of dollars of debts contracted under earlier administrations, since, notwithstanding the stern and strenuous debt-paying campaign conducted by the manager government, the bonded debt of the city has sneaked up on them and now stands at a figure something more than double the amount they found outstanding when they assumed office. In this connection and in fairness to the old government, it should be said that when they went out of office the water department turned over something more than $90,000 in cash to their successors, which fact I have never heard mentioned. Also it should be borne in mind that all bonds, interest, extension of mains, etc., were paid from the earnings of the department, which was allowed nothing from the tax levy.

H. E. Harmon.

To the Editor of the National Municipal Review:

I have read with interest the letter of Mr. H. E. Harmon with reference to my article in the June issue of the National Municipal Review headed, "Watertown Politicians Dismiss City Manager." In this article I sought to compare Watertown under the present manager form of government with the Watertown of ten or more years ago under the old aldermanic form of government. I made the statement that at the time the city adopted city manager government it was in a bad financial condition, a contention to which Mr. Harmon takes decided exception. It is with no reflection upon those who composed the city government before the adoption of the present form, all of them, so far as I know men of the highest integrity in public and private life, that I still contend that the city is in an immeasurably better condition financially and in every other way at the present time compared with what it was when the old form of government prevailed. In support of that contention I desire to submit briefly the following facts:

Prior to 1920 (the date when city manager government was adopted here) only bonds of the sinking fund type were issued. Unfortunately no sinking fund was ever provided to meet the bonds. The payment of the principal was projected far into the future, often beyond the life of the improvement involved. In 1923 the start was made towards a sinking fund and a definite sum of money was raised by taxation that year and every year since to retire bonds when they become due. In three years, alone, after the adoption of city manager government here the administration in power met a total debt service of $764,614.58. From 1924 to 1928, inclusive, a debt service totalling the gigantic sum of $1,750,617.67 was met. The grand total for nine years of city manager government was upwards of $2,500,000. In the fiscal year of 1927–1928 a total of 43.6 of the tax levy was applied to paying off debts contracted under the old aldermanic form of government.

How were these debts contracted? Not only were improvements financed by long-term bonds but in many cases current running expenses of the government were financed the same way. For example, in 1896 $20,000 of bonds were issued for current expenses and were made payable in 1922 and in 1925 inclusive. In 1898 $125,000 of funding and deficiency bonds were issued. The proceeds went to pay a current debt of $60,695 and a $10,000 bond and interest due. The balance was used for current expenses. The fiscal bond of this issue became due in 1924. These are random instances.

Now take the other side of the picture. In eight and a half years of city manager government, improvements to the amount of $762,017.12 were paid from the budget. During this same time it should be remembered a total debt service of upwards of $2,500,000 was met. For example, a modern air field was bought and paid for out of the budget. Buildings to house machinery of the public works department were constructed and paid for out of the budget. A modern stone-crushing plant was paid for out of the budget, and these are only a few instances. We have one of the finest parks in the state; upwards of $2,000,000 have been spent for modern schools; our power plant and municipal lighting system is easily worth $2,000,000 more, and it is one-third paid for already. Two fine, large bridges have been built and miles of streets have been paved. January 1, 1929, Watertown had a total of $2,357,835 bonds outstanding of which upwards of $1,000,000 were contracted before city manager government went into office.

Observer.

A MODEL ELECTION ADMINISTRATION SYSTEM

REPORT
of the
COMMITTEE ON ELECTION ADMINISTRATION
of the
NATIONAL MUNICIPAL LEAGUE

Prepared by
Joseph P. Harris
Secretary

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FOREWORD

Revelations of the past few years have demonstrated, if indeed further demonstration were necessary, that American election systems are as a rule cumbersome, expensive, and ineffective in preventing fraudulent voting. In a few states popular unrest has led to efforts towards reform and it is to aid such efforts everywhere that the Committee on Election Administration of the National Municipal League presents herewith its report on a model election administration system.

This report is a companion piece to the committee's report on a model registration system, which was published as a supplement to the NATIONAL MUNICIPAL REVIEW for January, 1927. The earlier document has already served as a basis for new registration laws in Iowa, Kentucky, Michigan, Ohio, and Wisconsin. In a number of other states bills framed along the lines of our model registration system have been introduced but as yet have failed of passage.

The present report is more comprehensive than the report of the Committee on Electoral Reform published in the NATIONAL MUNICIPAL REVIEW for December, 1921, and includes the results of experience since that time. To those seeking to improve the election machinery and methods in their home states, it provides a concrete basis for new legislation and it is hoped that it will prove as effective as has the report on a model registration system.

As in the case of the report on registration, the committee is under heavy obligation to its secretary, Dr. Joseph P. Harris of the University of Washington, who prepared the original draft for the criticism of the committee. The final draft published herewith has been revised by him in accordance with the instructions of the committee.

The extensive field work in which Dr. Harris engaged preparatory to this report was done as a member of the staff of the Institute for Government Research of Washington, which is soon to publish his book on election administration in the United States. We are indebted to the Institute for making it possible for Dr. Harris to visit all parts of the United States for a study of election methods.

COMMITTEE ON ELECTION ADMINISTRATION.

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A MODEL ELECTION ADMINISTRATION SYSTEM

PART I—THE CASE FOR ELECTION REFORM

THERE is probably no phase of public administration which is today so badly handled as the conduct of elections. Every election contest brings to light gross inaccuracies, irregularities, uncertainty, slipshod practices, and a disregard of the election statutes. In many communities the elections are marked by frauds. The entire country has been shocked by the recent exposure of election frauds in Pennsylvania, Illinois, Ohio and Kentucky, while conditions practically as bad prevail in Indiana, New Jersey, Missouri, and a number of other states. There is much evidence to support the belief that election frauds are still relatively widespread. This condition should not be tolerated. It is entirely feasible to set up an election system under which the purity of elections will be practically assured, even in a spoils-ridden and boss-controlled community. Honest elections already prevail in many of our states, including some of our largest cities. In many states there is never a question about the honesty of the election. This is true also of the Canadian provinces. The enfranchisement of women and the passing of the open saloon have done away with much of the violence, rowdyism, and gross fraud which once dominated the polls. Elections must now be made unquestionably honest and accurate. A sound administration of elections is essential to the maintenance of morale and the respect of the citizen for his government, as well as the election of suitable persons to public office. There can be no doubt that many political machines maintain their control over the government through their control of the election machinery.

Many serious criticisms may be raised against the mechanics of our election systems. In order to meet the ingenuity of election officials and party workers who desire to manipulate the elections, and in an attempt to secure regular and uniform administration, state election laws have been made tediously detailed. They prescribe as nearly as possible how every act shall be done, but are regularly disregarded or openly violated. The election process is tied hand and foot with red tape and formalities, and has become extremely expensive without securing accuracy and honesty. In many states the precinct officers are burdened with useless forms and reports. Often the officers are so busy during the day of election writing these up that they neglect the duties at hand. The election statutes have been drafted by persons unacquainted with the problems of administration.

The cost of elections at present is many times higher than it should be. Taken by and large, the average cost per vote cast approximates one dollar. While this is true in general, there are some communities where the cost is as low as ten cents per vote. In 1928 the cost of elections and registrations in Kansas City, Missouri, for example, was $558,779.58. Three elections were held at an average cost of $186,000 each, and with an average vote of less than 150,000. The city of Winnipeg, on the other hand, with a registration of 100,000 (approximately half that of Kansas City) and a vote of somewhat less than 50,000, conducts a city election at a cost of about $6,000. Salt Lake City, with a registration of 50,000 voters, conducted its last city primary and election, with a total combined vote of 52,137, at a cost of $5,270.49 for both elections. Other comparisons equally striking could be made. Under a sound election system the cost per vote cast should never exceed twenty-five cents, and in many smaller communities should be less than ten cents.

The constant revision of the election laws also indicates widespread dissatisfaction with the present administration. In practically every state numerous changes are proposed at each session of the legislature, and many amendments are passed, but nevertheless few real improvements are made. The state legislatures have little understanding of the actual working of the election laws within their own states, and are unacquainted with the law and working in other states. Bills are frequently introduced to give some advantage to one political faction or party, with the result that the legislators generally look with suspicion upon proposals to change the election code.

Few states have a workable or understandable election code. In most states the code consists of a mass of statutes which have been passed at various times, frequently with conflicting sections, and usually with many special provisions applying to particular sections of the state. The arrangement is ordinarily poor, and the index meager, with the result that it is difficult to ascertain what the law is on any given subject. Yet in most states the election code is the source of authority and constitutes the only instructions to the county, city and precinct officers. It cannot be wondered at that the laws are often disregarded, and that elections are conducted in a widely different manner within the same state.

It is important that elections should be conducted in a systematic, thorough manner; that the results should always be accurate; that sharp practices and irregularities should be made difficult, if not impossible; that there should never be any question about the integrity of the elections or suspicion cast upon the election officials; that the cost be substantially reduced; and that the convenience of the voter be served better. These results can be secured only by a complete rewriting of the election code in many of our states. It may be admitted at once that election reforms are difficult to achieve, for the political organizations fight vigorously any changes in the election laws which would adversely affect them. The election law is near and dear to the heart of the political machine. On the other hand, no substantial progress can be made until a constructive and comprehensive program is adopted.

Many fundamental principles which now govern the conduct of elections will have to be discarded before a sound system can be secured. Outstanding among these is the practice of turning over the administration of elections to the party organizations. This practice has grown up because of the bipartisan tradition, the feeling that the way to secure honest elections is to "set a crook to watch a crook." In some of our large cities the result has been that our elections have been, indeed, conducted by crooks. Unfortunately a system of crooks versus counter-crooks seldom produces honest elections. Election crooks, as well as others, can make bargains, and they usually do. The assumption that the two political organizations in our large cities are opposed to one another is generally a fiction. Unquestionably the fundamental election reform is to remove the administration from control by those who profit by election frauds and sharp practices. To be sure, the character of the party organizations varies from state to state and from city to city. In many communities the organizations are respectable, and would not tolerate grave abuses in the conduct of elections, or appoint unscrupulous persons as election officers. As a general proposition, however, the placing of the election machinery in the hands of the party organizations is essentially unsound, and produces bad results everywhere, from time to time. Common sense would dictate that the partisan whose job may depend upon the outcome of an election should have no hand in its administration.

At present a large number of election positions are used as patronage by the party machines. The value of this patronage is fully recognized by the machine, which stands ready to protect it when it is attacked. It is a bad influence upon the political life of the community. The removal of these positions from the political spoilsman would go far to break up the strength of political machines.

Sound organization and definite fixing of responsibility in the administration of elections are imperative. These can be secured only by discarding the bipartisan tradition, by eliminating board control, and by setting up a single commissioner or officer in charge of elections in the city or county, and a single official in control in each precinct. Adequate supervision of precinct officers is also essential.

Many practices have grown up in our election laws which should be discarded as unsound or obsolete. One of these is the use of small precincts, with each precinct a separate entity in itself, subject to little supervision. This system was probably well adapted to the needs of a hundred years ago. Then there were few large cities, the means of transportation were primitive, and streets as well as rural highways were unimproved. There is no longer any justification for the practice. In many Canadian cities it is common for a single voting district to contain as many as 3,000 registered voters. The polling place is located in a large room, and several boards under suitable supervision perform the work. This procedure is fundamentally sound. It makes possible effective supervision and great economies. In this country voting precincts should be increased in size, with each precinct laid out around a building suitable for a polling place.

One of the greatest absurdities in the conduct of elections is that each election, large or small, costs practically the same. The same army of precinct officers must be employed. Now it is well known that there is a wide variation in the vote cast and the actual work involved in different elections. A special election, or even a local or primary election may see a turnout of as low as a fourth or a fifth of the vote cast in a presidential election. The machinery should be adapted better to the requirements. A few states now use a smaller number of precinct officers in minor elections. If larger precincts were used it would be entirely feasible to adjust the election machinery to each election, using in each precinct only the required number of officers to take care of the vote.

The several states have placed great faith in the efficacy of statutes to secure sound elections. An attempt is made by statute to prescribe every step in the conduct of elections, necessitating many special provisions for populous cities. Practically no use is made of rules, regulations and instructions, which could be issued by an administrative officer or a state board of elections. Election statutes should be materially shorter, and provision should be made for many details to be covered by instructions and regulations issued by the officers in charge of elections. This would make possible improvements from time to time, without involving the legality of an election, and at the same time, would assure greater uniformity and regularity.

PART II—SPECIFICATIONS FOR A MODEL ELECTION SYSTEM

A. STATE CONTROL OF ELECTIONS

Specification 1. **There should be created a state board of elections to have general supervision over the conduct of elections throughout the state. This board should issue instructions and regulations governing the conduct of elections, subject to the provisions of state law, exercise supervision over local officials, and act as the state board of canvassers. The secretary of state should be, ex-officio, the secretary and administrative officer of the said board.**

Comment: It is recognized that there is considerable sentiment against the creation of another state board of any kind, though in a sense this is not an additional board, since in practically every state there is already a state board of canvassers. The question in point is whether it would be better to entrust the issuance of regulations and instructions governing the detailed administration of elections to a single state official, or to a board. While it is recognized that a single official in all probability would perform the routine work, it is believed that there is some merit in having such regulations promulgated by a state board. It would lend greater prestige to them, and, to a certain extent, remove the charges of partisanship or unfairness.

The specification does not cover the organization of the state board of elections, either as to the number of members, or their selection and tenure. It is recognized that the political conditions in the several states vary so much as to make it necessary to have variation in the organization. The following alternatives suggest themselves:

1. An *ex officio* board, consisting, say, of the governor, attorney general, and secretary of state.
2. A bipartisan board, consisting of the secretary of state and two other members appointed by the governor upon the recommendation of the two largest political parties within the state.
3. The secretary of state as a single officer in charge of elections, but with the power to appoint an advisory committee to draft the original set of instructions and to revise them from time to time as may be required.

State control of elections constitutes one of the most difficult problems to be solved in the field of election administration. It is easy to point out that the election statutes at present are seriously defective. They are inflexible, poorly adapted to securing efficient and thorough administration, make the cost of elections unduly expensive, and are often inoperative. It is apparent that greater supervision and control of election administration all along the line is essential. This is particularly true of precinct officers. The substitution of rules and regulations and instructions prepared by some state officer, preferably the secretary of state, to cover the detailed procedure in the conduct of elections would be a great improvement. In some of our large cities the election board issues suitable instructions for the guidance of the precinct officers, which aid greatly in securing uniform and regular conduct of elections. This practice should be made statewide. In many cities and generally in rural sections at present no instructions whatever, except the printed election laws, are issued to the precinct officers. The statute authorizing the making of such rules, regulations and instructions should affirmatively provide that when made and promulgated they shall have the force of law.

In the conduct of elections there are many forms, records, and blanks. These are usually prescribed by statutes, though a better practice would be to authorize the secretary of state to prescribe these forms. Indeed, these might well be supplied to county and city officers by the secretary of state, and such is the case in the state of New York.

It would be desirable also to have a state office issue instructions to county and city officials covering the handling of elections. This would not constitute an encroachment upon the prerogatives and discretion of the local officers, but would rather take the place of the detailed statutes. Instructions covering the various details of the election would be welcomed by county and city officers, particularly where the elections are handled by the city or county clerk, in addition to his other duties.

It may be objected that this power might be misused by the state office for partisan purposes, or that some clerk in the office, unacquainted with the actual administration of elections, might prepare the instructions. There is not a great deal of danger along these lines. It can be assumed that the state office would be careful not to issue instructions which would cause trouble or arouse criticism, and that it would consult with the election officials before making any innovations. However, if it is desired, it could be provided in the law that the state office should appoint an advisory committee, without salary, to assist in preparing the original instructions, and changes from time to time thereafter when necessary.

B. ELECTION OFFICERS

It may be stated at the outset that no part of the election law is so difficult to change as that which sets up the machinery. Election boards and officers in charge of elections resist any change in their status, and the political organizations actively oppose any measure which would reduce the patronage. Obviously, compromises will be necessary to secure the enactment of an otherwise sound election law. Perhaps at no other point is it so necessary to give way as on the matter of organization. Certainly some variation from state to state is essential because of the political situation and traditions of the state. The following recommendations are, nevertheless, important, and should be carried out so far as possible.

There are a few election offices in this country which are well managed, with competent and vigorous executive control, capable employees in the office and in the precincts. Unfortunately, such is ordinarily not the case. City or county election boards usually consist of persons who have no particular knowledge of election laws or ability to take charge of election administration. Usually the members of the board are "deserving" party men, who either receive the appointment as a reward for their service to the organization, or are placed there to serve the organization. A striking contrast is afforded in the few cities where the administration is placed in the hands of a single commissioner. Similarly, in many communities, good results are secured with some regular city or county official, such as the city clerk or the county clerk or auditor, in charge of elections. The use of boards in election administration, except for the largest cities, is unwise. Capable persons will rarely seek appointment to such boards. They are usually dominated by the party machines, with the result that the entire election machinery is controlled by the party organizations.

Specification 2. **The administration of elections and registrations should be centralized in a single office.**

Comment: In many states the election and registration work is divided between various offices. In some states the county commissioners, the county clerk, the sheriff, the city council, the city clerk and the police all have a hand in the administration. This leads to bickering, wrangling and shifting of responsibility, and is practically always unsatisfactory. A unified administration works much better.

Specification 3. **A special office should have charge of elections and registrations in cities (or counties) of over 200,000 population. Where the population is less, the administration should be intrusted to regular officers of the city or county.**

Comment: Only in fairly large cities (or counties) should a special office be created to carry on the work of elections. It can be done more economically, and generally better in smaller cities or counties by a regular officer. In a small city or county, where the work is confined to a few months in the year, and the salary is necessarily small, a capable person cannot be secured for a special office. In a few states, Ohio and New York, for example, there is a special office in every county, which conducts all elections (state, county, city, school, and special) within the county. There are many merits in such an arrangement. It unifies the election administration and makes for simplicity and responsibility.

Specification 4. **Where a special office is provided, it should preferably be under the control of a single commissioner, who should be placed under the classified civil service, if such exists, or appointed for a term of four to six years. Where it is deemed inadvisable to create a single election commissioner, a board of two or three members should be provided, with an executive secretary to have charge of the routine administration. Appointment should be vested either with the mayor, manager, or the governor, and the governor should have the power of removal for cause after a public hearing.**

Comment: The practice of having a single commissioner has worked exceptionally well in Rochester, Omaha, and Los Angeles. In a number of other cities real control has been vested in a single individual, though the organization has been in form that of a board. It should be remembered, also, that in many communities a single officer, the city or county clerk usually, has wide control of elections. This arrangement has worked, on the whole, more satisfactorily than a special board.

Specification 5. **Except for jurisdictions where there is a special office, the**

county clerk or auditor should be the chief election officer of the county. He should supply the ballots for county, state and national elections, and, except in cities, should appoint the precinct officers, issue instructions to them, supply the forms and miscellaneous equipment, select the polling places, divide the precincts, and receive the returns and records. Within cities (small cities excepted) the city clerk should be the chief election officer for all elections. He should print the ballots for city elections, appoint the precinct officers, issue instructions to them, furnish the supplies, select the polling places, divide the precincts, receive the returns, and have charge of the elections.

Comment: Where the administration of elections is entrusted to the regular officers of the county or city, several problems are presented. Which county or city officers should be placed in charge? Should a county officer have exclusive control of all elections within the county? Or should city officers have control of elections within cities? If both city and county officers are used, how should the work be divided? What officer should have charge of elections in rural sections, villages and small cities?

The simplest arrangement, and in some respects, the best, is to give some county official exclusive control over all elections within the county. It is generally thought better, however, to have a local election official in cities. This is particularly true of cities of, say, 10,000 population and over, where there is a suitable full-time official, such as the city clerk, who can be placed in charge. In rural sections and small cities, on the other hand, where there is no suitable local officer, the better practice is for the work to be handled directly by the county officer in charge of elections.

In a number of states, county officers have charge of county, state and national elections, and city officers have charge of city elections. This arrangement is undesirable, for it produces two distinct election systems, often with different precincts, different precinct officers, different polling places, and results in considerable confusion. While no arrangement can be entirely satisfactory, it seems best, on the whole, to make one of the regular county officers, such as the county clerk, election commissioner for the county and a similar officer, such as the city clerk, election commissioner for the city. The county clerk would have general control of elections, except for cities where there was a city election officer, and would print the ballots for county, state and national elections for the entire county. The city clerk would have complete charge of all elections within the city, except the printing of ballots for county, state, and national elections. Both officers would be subject to the rules, regulations, and instructions of the state board of elections.

As a general rule, the city council or the county board appoints the precinct officers, divides the county or city into precincts, and sometimes acts as the canvassing board. Better precinct officers will be secured, as a rule, if the appointment is placed in the hands of a single official. The approval by the city council or by the board of supervisors of the redistricting of precincts is usually a matter of form, and the official canvass is a routine, clerical procedure. Responsibility will be centered more effectively and a more vigorous and strict administration secured if all of these powers are given to a single official.

Specification 6. **The office force should be under civil service (if such exists), and in the competitive class, without any provision for bipartisan**

division. Extra employees should be recruited, without regard to partisan affiliation, also from civil service lists.

Comment: Party workers constitute the office force in most of our large cities. Nothing further need be said concerning their abilities. It is essential in large cities with civil service commissions that these positions be placed in the competitive class under the civil service, and removed from political control. The temporary employees are likewise recruited from the party organization ranks in many cities, with poor results. Often unnecessary employees are taken on prior to elections for political purposes.

Specification 7. **Precinct officers. The number of persons used to conduct the election in each precinct should not exceed four (except as provided in Specification 20), and in many communities should be less. One of these persons should be placed definitely in charge, and should have the title of inspector. The other officials should be under the inspector, and should be called clerks. All decisions should be made by a majority vote of the precinct officers.**

Comment: The usual practice is to have a board of from four to seven officers to the precinct. Out of this number, ordinarily two or three do the work, and the others are in the way. To be sure, the procedure in many states is so complex, with so many forms, poll books, affidavits and tally sheets to be made out that the extra persons are needed. Along with the proposal to reduce the number of officers to the precinct goes the proposal to simplify the procedure and records, making it quite within the ability of three persons to handle the work.

While three or four persons are quite sufficient to the precinct, except for heavy elections in large precincts, there should be discretion vested in the officer in charge, so that a smaller number may be used in rural precincts where the number of voters is small, and also in special or minor elections, when the vote will be light and the count easy.[1] In many cases two persons would be ample.

Specification 8. **Precinct officers should be required to be qualified electors of the city or county, of good reputation, and with sufficient education and clerical experience to perform the duties of the office. Residence in the precinct should not be required. There should preferably be no requirement that each of the two dominant parties should be represented.**

Comment: It is much easier to recruit capable precinct officers when it is not required that they reside in the precinct in which they serve. Precinct residence, while normally desirable, is, under certain circumstances, highly undesirable. Often it is necessary to break up a clique under the control of a precinct captain. In many precincts it is difficult to secure the required number of satisfactory persons. The highest type of precinct officers in this country are found in states where precinct residence is not required. Honest elections cannot be secured in many of our large cities without giving the officer in charge of elections discretion in this matter. A few of the large cities where precinct residence is not required include the following: New York City, Detroit, Milwaukee, St. Louis, and Omaha.

The objection is often raised against this proposal that hoodlums and gangsters may be brought into the better residential precincts in large cities as election officers. This has not been the experience. Non-residents, as a matter of fact, are used ordinarily only in the precincts where suitable officials cannot be secured, and precinct residents are almost invariably used in the better precincts.

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[1] In Boulder County, Colorado, in 1926, five precinct officers sat in one precinct to receive a total vote of only five! Other precincts were only slightly better, and the county clerk reported that it was often difficult to secure the required number of officers.

The requirement generally made that the precinct officers shall be divided between the two major political parties is often thought to be sound. In actual practice it does considerable harm. It usually results in the party organizations of the respective parties naming the officers. In many precincts it is impossible to secure representatives of both political parties. In cities where the appointment is made without regard to party affiliation, a much higher type of person is secured, and bitter partisans are kept off the election boards. These boards, though they may all be members of the same political party, do not occasion any charges of corruption or sharp practices. In Canadian elections, which are particularly free from fraud or rumors of fraud, the entire election machinery is appointed by the party in power, without any representation whatever to the other parties. Yet the Canadian elections are conducted in a scrupulous and accurate manner.

In many large cities, however, where the parties are fairly evenly divided, bipartisan election boards are generally considered essential. It is less important that there should be an evenly divided board than that each party should have a representative on the inside, where he can know what is going on, make his voice heard, and testify later, if necessary, to the facts.

Specification 9. **The precinct officers should be appointed by the office in charge of elections for the city or county without dictation from any party or faction. Service should be made compulsory for a period of two years. In large cities applicants should be required to file a written application, stating, among other things, their age, occupation, sex, name of employer if any, length of residence at present address, amount of education, clerical experience, and references, and also to pass a simple examination. If the applicant is unknown, suitable inquiry should be made before appointment. Care should be taken to safeguard against the appointment of persons with criminal records.**

Comment: The qualifications necessary for satisfactory precinct officers are not high. Persons of average education and ability are capable to perform the routine duties, particularly if under supervision. The principal consideration is to secure persons who will see to it that the elections are conducted honestly and that an accurate count is secured. It is obvious that the worst possible procedure to secure such persons is to place the selection in the hands of the political organizations. It is foolish to expect honest elections when the very persons who would profit by fraud, control the machinery of elections, and are held to no responsibility. In a number of states where the officers are appointed without regard to party recommendations the elections are free from even a suspicion of fraud.

The general incompetence of precinct election officers throughout the country is very striking. Persons feeble with age, who have little education and no clerical experience or ability, are appointed. A better type of precinct election officer is needed. No uniform method of making selections, however, can be adopted. In small cities and rural communities the appointing officer may have to rely largely upon personal acquaintance and recommendations made to him by responsible persons, paying little attention to formal applications. In large cities greater reliance must necessarily be placed upon the written application. In addition, a brief examination might be used. Candidates might be required to fill out certain election forms and reports, following printed instructions. A brief interview and a personal rating should be made before the applicant leaves the room. Responsible persons should be urged, and if need be, compelled to serve. It is highly desirable to make service on the precinct election boards compulsory, though in actual practice, this power will seldom be used. Arrangements should be made with business firms to supply a reasonable number of employees, or to permit their employees to serve.

Specification 10. **A term of two years should be used for precinct officers, subject to summary removal by the election office.**

Comment: While it is desirable to insist upon precinct officers serving for at least four years, if they are capable, a two-year term is advisable. Because of changes of residence, many new appointments have to be made at each election. An election officer usually has to serve in one or two elections before he is thoroughly conversant with the duties of the office. If a precinct officer is found to be incompetent or unfit for the office, he should be summarily removed.

Specification 11. **A reasonable salary, determined by the city or county legislative body, should be paid to precinct officers. No payment by the hour should be made to precinct boards.**

Comment: There is so much variation in the prevailing wage scale even within the same state that the statute should not prescribe the salary of precinct officers. It should be set by a local body. Payment by the hour, however, works badly. It results in unreasonable bills and delayed returns.

Specification 12. **A meeting of the precinct officers should be held whenever necessary for instructional purposes. Newly appointed inspectors should be required to attend an instruction meeting before the first election in which they serve.**

Comment: Schools for elections officers are necessary and desirable, from time to time. In a few places they are especially well conducted and are highly successful.

C. BALLOTS

Specification 13. **The office group, or "Massachusetts" type of ballot (which does not have the party circle or emblem) should be used in all partisan elections.**

Comment: There has been a great deal of controversy in this country over the merits of the Massachusetts or office group ballot, versus the Indiana or party column ballot. A majority of the states now use the party column ballot. The political organizations have always fought very bitterly any movement to do away with the party column ballot, with the familiar roosters, elephants, or other emblems at the top of the party column, while independents and reformers have sought to secure the true Australian or Massachusetts type of ballot. The office group ballot does away with the blind voting of the party label with a single cross, and requires the voter to vote individually for each office. This obviously facilitates split voting, and encourages independence and more discriminating voting. With the party column ballot it is easy to vote a straight ticket, but it is not so easy to "scratch" the party ticket, and many voters continue to vote the party ticket straight for fear that they will spoil their ballot if they attempt to split their vote. Independent voting has become so prevalent in this country that the form of the ballot should facilitate rather than make it difficult. The party column ballot was fairly satisfactory as long as the great bulk of voters voted the party ticket straight, but this is no longer the case.

It may be pointed out, however, that the adoption of the Massachusetts type of ballot will be vigorously opposed in most states by both political parties, and is not essential to the other improvements in election administration here advocated. Although it is included in the model law appended, if substantial opposition to this feature is anticipated, it should be placed in a separate bill.

Specification 14. **Slogans or phrases, following the names of candidates, should not be permitted on the ballot. In partisan elections the name of the party may accompany the names, and in all elections, the officer in charge of printing the ballots should have the power to include the address and occupation, in case there are two candidates of a similar name.**

Comment: Theoretically it may seem that a brief slogan or phrase on the ballot might help the voter in making his choices, but, judging from the experience in Oregon, these miniature platforms are meaningless. Such pious phrases as "Honesty," "Efficient Government," "Reduction of Taxes," "Americanism," are generally used.

There is some reason for including the address of each candidate, but on the whole, it is probably as well to leave it off, except in cases where it is needed for identification of candidates. A political trick frequently used in large cities is to put up an unknown candidate with a similar name to that of a prominent candidate, in order to confuse the public. In such cases the address and occupation of the candidates involved may be added as a means of identification.

Specification 15. **There should be only one ballot at any election (except at a primary election, at which there may be a ballot for each party). This ballot should contain the names of all candidates and all referendum proposals. In states where the ballot is unduly large it may be preferable to provide a separate ballot for the referendum proposals. Suitable divisions should be used to separate the various parts of the election.**

Comment: While it is highly desirable to separate national, state, county and municipal elections as much as possible, it is often confusing to the voter to have several ballots handed to him. In the regular November election of 1928 in Omaha, for example, ten separate ballots were handed to the voters. The better practice ordinarily is to place the entire ticket, including referendum proposals, upon one ballot. In cities where proportional representation is used, a separate ballot is required.

Specification 16. **Presidential electors. The names of candidates for presidential electors should be omitted from the ballot, and, instead, the names of the candidates for president and vice president should be printed. The names of the candidates for presidential electors of each political party should be filed with the state board of elections, and the vote cast for the candidates for president and vice president of each party should be counted for the candidates for presidential electors of the party.**

Comment: This practice is already followed in a number of states, including Nebraska, Illinois, Wisconsin, Ohio and Iowa. It has the substantial merit of materially shortening the ballot, thereby reducing the cost of printing and making the ballot less confusing to the voter. In Illinois the size of the ballot at presidential elections was cut into half, with a saving of thousands of dollars at each such election. Since the Constitution of the United States expressly provides that the state legislatures shall determine the method of electing presidential electors, there can be no doubt as to the constitutionality of this procedure.

Specification 17. **The names of candidates should be rotated on the ballot to the extent necessary that each candidate may share equally with other candidates for the same office, each position on the ballot. The ballots for each precinct, however, should be identical.**

Comment: It is a grave indictment of our long ballot that it is necessary to rotate the names of the candidates, in order to prevent candidates from profiting by being at the top of the list. That the position on the ballot influences the vote is certainly not flattering to the intelligence of the voting public. As a matter of fact, position on the ballot is important only in minor contests, and particularly where there are a number of persons to be elected to the same office. The rotation of the names is the only means of putting each candidate upon an equal footing. The methods used for the rotation of names at present are unduly expensive, and in some states greatly increase the work of the precinct officers. Where the names are rotated within the precinct, each ballot being different from the preceding one, the cost of printing is excessive and the count made difficult. A better practice is to rotate the names from precinct to precinct, with an identical set-up in each precinct, but even this is unnecessary. The names should be rotated only when it is necessary to change the positions in order to give each candidate equal treatment. To illustrate: suppose there are three candidates for a certain office, and three hundred precincts in the city or county. In the first hundred precincts the order of candidates might be A, B, C; in the second hundred precincts, C, A, B; and in the third hundred precincts, B, C, A. Few changes in the set-up of the ballots would be required to secure the same results now secured by more expensive rotation. Under this system, there is no sound reason why the names should not be rotated in the final election (with the Massachusetts type of ballot), as well as in primary and nonpartisan elections.

Specification 18. **In states where there is appreciable danger of voting frauds and the use of the "endless chain," the ballots should be numbered serially upon a perforated stub. This number should be recorded upon the poll book or voting certificate (hereafter explained) at the time when the ballot is handed to the voter. This stub should be torn off the ballot before it is deposited in the ballot box, and the number checked with the number previously recorded.**

Comment: This procedure is designed to prevent the use of the so-called "endless chain" ballot at the polls, and to safeguard against the use of spurious ballots. In many states it is unnecessary, but everywhere suitable protection should be made to guard against abuses. The number on the ballot is torn off before it is deposited in the ballot box, thereby safeguarding the secrecy of the vote. In several states at the present time the number is recorded on the ballot itself and is left on it when it is deposited in the ballot box. This is the case in Missouri. Theoretically, the ballot may be identified later on as that of a particular voter, and the secrecy destroyed, but actually there are few complaints upon this score. The election officers in the rush to count the ballots do not scrutinize them to learn how individual voters voted.

Specification 19. **The practice of having one or two election officers sign or initial each ballot before it is handed to the voter should be discontinued. The official seal of the election office or a facsimile of the signature of the election officer of the city or county, in connection with the use of serially numbered ballots, provides ample protection.**

Comment: The signature of the precinct election officers upon each ballot is little protection against fraud. Seldom are the ballots examined to see that they have been properly signed, except in case of a recount, when a number of ballots are always thrown out because of the absence of the signatures, as required by law. This results in the disfranchising of voters through the negligence of the precinct officers. Often the signing of the ballots, particularly when several ballots are used, slows up the voting process. The election officers frequently sign a large number of ballots prior to the rush period of the day, making the signature rather meaningless.

Specification 20. **The contract for the printing of ballots should be awarded to the lowest responsible bidder, after sealed bids have been secured and publicly opened.**

Comment: The printing of the ballots is a considerable item in the cost of elections, and adequate provision should be made to secure bona fide competition in awarding the contract. The city of Milwaukee, it is interesting to note, prints its own ballots at a very small cost.

D. PRECINCTS AND POLLING PLACES

Specification 21. **The provisions in the election laws fixing a maximum number of voters to the precinct should be removed, giving the local election officials wider discretion in the matter. There should be provided, instead, a minimum limit of 400 voters to the precinct in cities, wherever practicable. The state election laws should permit the use of two or more sets of officers for precincts which contain more than 800 registered voters, or the use of additional clerks as may be required.**

Specification 22. **The state law should require that the polling places in cities and incorporated villages be located in public buildings, wherever practicable, without any rental to be paid, and direct the local officers to arrange the precinct accordingly.**

Comment: The size of the voting precinct and the location of the polling places are of more importance than might be supposed. So long as the precincts contain four hundred voters or less each, it is practically impossible for elections to be conducted under any effective supervision in large cities. The use of larger precincts, say one thousand voters, would make it easier to place a responsible person in charge of each polling division, and to have all elections conducted under strict supervision. Until this is done, honesty, accuracy, and regularity cannot be attained in some of our large cities. Even where elections are fairly well conducted at present, this practice would improve the administration.

One advantage of the use of larger precincts is that the number of officers in each precinct may be varied from one election to another according to the vote expected. It is absurd to use as many precinct officials in a light election as in the heaviest election.

Another advantage is that public buildings, particularly school buildings, may be used almost exclusively. Not only does this reduce the cost of elections materially, but improves the tone. The use of basements, crowded shops, private homes, and other undesirable quarters, especially in the poorer sections of the large city, is often conducive to frauds and violence.

While it may be urged that the increase in the size of the precinct would greatly inconvenience the voters, who would be compelled to walk for a number of blocks to the voting place, this argument is not valid. If little children can walk to the school building every day of school, surely their parents can make the trip once or twice a year to vote. Paved streets, improved transportation, and the universal use of the automobile have relieved the necessity for small precincts. As a matter of fact, the use of larger precincts does not make much difference in the distance which the voter has to go, provided the precincts are judiciously grouped around public buildings. At the present time in many cities the polling places of several precincts are located frequently in the same school building, or are located just across the street from each other. On the whole, the convenience of the voter is served better by the use of public buildings. Even though he may have to go a few blocks farther to vote, he can always be sure of where the polling place is, and there is less need to redistrict the precincts from time to time.

There is no particular reason to provide in the state election law a maximum number of registered voters for the precinct. In many states where such provisions are obeyed, the election costs are greatly increased thereby. In other states, the local officials do not comply with the state law, and in some cities permit the election precincts to become several times larger than the legal limits before dividing. The local officers should be permitted to determine the size of precincts, with a minimum, rather than maximum, limit for cities.

Attention should be called to the English and Canadian practice of having precincts as large as several thousand voters, using a number of sets of election officials to each precinct or polling place. In some European cities the entire vote is cast in a single building. There are many distinct merits in this procedure. The election can be placed under very close supervision, and the machinery adapted to the size of vote expected.

E. ADVERTISING ELECTIONS AND POLLING PLACES

Specification 23. **All requirements of the advertising of elections and polling places should be omitted from the election law and left to the discretion of the state board of elections, except that a copy of the ballot should be advertised. The local officers should be permitted to advertise the ballot either by mailing a copy, preferably reduced in size, to each registered voter, or by newspaper publication within one week prior to the election.**

Comment: A great deal of money is wasted on useless election advertisements. Some of the things which are commonly advertised at a considerable cost include the following: a lengthy notice that an election of certain office is to be held; a long set of instructions to the voter, accompanying the advertisement of the ballot; a list of voting precincts with the polling places of each (the voter does not ordinarily know the number of his precinct); and (of all things) a street description of the boundaries of the precincts.

The official ballot should be advertised in a way to reach a maximum number of voters. There is much merit in the practice, followed in some states, of mailing a sample ballot to every voter a few days before the election. In some cases this could be done at a cost which would be little more than the cost of advertising.

The sample ballot mailed to the voters should be considerably reduced in size, in comparison with the official ballot. It would be well to suggest to the voter by a suitable notice on the sample ballot that he mark his ballot ahead of time and take it with him to the polls for guidance in marking the official ballot. This is done already by one of the party organizations in Omaha (the ballot sent out is not marked for the candidates of the party), and is said to work well.

F. THE CONDUCT OF ELECTIONS

Specification 24. **In cities of 10,000 population and over the hours of voting should be ordinarily from 7 A.M. until 8 P.M.; elsewhere the hours should be fixed by the state board of elections.**

Comment: The more common practice is to open the polls earlier and close them earlier than the hours mentioned above. Few votes are cast early in the morning, but it is a great convenience to the voter to keep the polls open until eight o'clock at night. The absurd practice of closing the polls at four or five o'clock in the afternoon was written into the law years ago to suit the convenience of rural sections, with the thought that the farmers would have to vote early enough to go home and attend to the chores before nightfall. To open the polls earlier in the day than seven o'clock places an unnecessary hardship upon the precinct officers, and makes the position undesirable. Thirteen hours should be sufficient. Perhaps the state law should leave the determination of the hours of voting to the local authorities, making it possible to vary them according to the habits of the community.

In rural districts and in small cities the hours for voting may be shorter, closing the polls several hours earlier. It is suggested that this should be left to the state election board. In view of the light vote cast during the morning hours, it might be well in cities, particularly for the minor elections, to fix the hours from 1 P.M. to 9 P.M.

Specification 25. **Election equipment should be delivered to the polling place prior to the election. Registration books, ballots and other records or supplies should be delivered to the residence of the inspector, or to the election officers at the polls on the morning of the election, and a receipt secured.**

Comment: The usual practice of requiring several of the precinct officers to call at the election office for the supplies is absurd. In many cities one of the most disagreeable features of service on the election boards is the necessity of making frequent trips to the city hall or county courthouse. In many cities the election records and supplies are turned over to the police for delivery to the precinct officers on the morning of the election, with very satisfactory results.

Specification 26. **Procedure at the polls. The voter should sign a voter's certificate, giving his name and address, and present this to the officer in charge of the register. This officer should compare the signature with that on the registration record, and if satisfactory, note on the registration record that the voter has voted, approve the certificate and hand it back to the voter. The voter then should present this certificate to the officer in charge of the ballots, who should record on the certificate the serial number on the ballot stub, and hand a ballot to the voter. The voter should then enter a voting booth alone, mark his ballot, fold it, return to the officer in charge of ballots and give the ballot to him. This officer should then check the serial number on the ballot stub to see that it is the same ballot handed to the voter, tear off the stub, and place the ballot in the box.**

Comment: This would greatly reduce the work of the precinct officers, and make it entirely feasible for three persons to handle as many as a thousand voters with ease. The routine work would be done by the two clerks, and the inspector in charge would settle any problems or questions which might come up, take care of voters who require assistance, relieve the clerks when they have to be away, and assist otherwise as may be necessary.

The typical procedure at the polls is antiquated and clumsy, requiring from four to seven officers to take care of several hundred voters. Ordinarily two poll lists, or lists of voters, are made out, requiring two clerks to do this work. There is no need for two poll lists; one is sufficient. The signature of the voter, together with his address, either in the form of individual voter's certificates, or in the form of a signature poll list or "roster of voters," constitutes a much better poll list, and does not require the use of a poll clerk to prepare it. Individual certificates are somewhat preferable to a bound book for the voter to sign in, since a number of voters may be signing at the same time, and the certificate form may be used more readily in comparing the signature with that on the registration record, and in handing out ballots. This procedure is used in Minnesota cities with excellent results. The roster of voters, however, such as is used in California—a small bound book in which the voter signs—is satisfactory.

In the election laws of the various states many useless steps are provided in the procedure at the polls. In several states the poll list is supposed to be made out as the voter hands his ballot to the officer in charge of the ballot box, instead of when he is checked off the register. In almost every state the election officers have to initial or sign the ballots, and sometimes there are several ballots to be signed. Often this slows up the voting. Ordinarily a considerable amount of writing by the election officers is involved, which takes time, makes it necessary to have small precincts, and serves no useful purpose.

Especial attention should be called to the requirement of the signature and the comparison with that on the registration record. This is a very important provision. The signature identification is undoubtedly the most effective procedure which can be taken at the polls to prevent voting frauds. A written record is made of every vote cast. The voting of dead voters, or of fictitious persons or persons who have moved, becomes dangerous if not impossible. The election officers cannot write into the poll lists the names of voters who failed to appear to vote, and put ballots into the box for them, without incurring the danger that this fraud will be discovered if the records are examined. The signature identification is practicable. It is successfully used in New York City and the other cities of the state, in Minnesota cities, Omaha, and California, and is provided in the new registration laws of Ohio and Michigan. Very few voters are unable to sign, and these voters can be taken care of by means of an oath, or a witness who signs for them, or an identification statement, such as is used in New York. The signature at the polls speeds up rather than retards the conduct of the elections. In New York state the procedure for securing the signature and making the comparison is particularly clumsy, yet no difficulty or delay is encountered in precincts which run over 500 registered voters. The signature of the voter at the polls should be a uniform requirement throughout the country, regardless of the other election provisions.

Specification 27. **The voter's certificates should be placed in a suitable binder or locked box, and at the close of the polls should be sealed and constitute the official poll list.**

Comment: This is the Minnesota practice and has worked well. The useless procedure of having two clerks prepare poll lists should be done away with. In the place of the poll list there would be the certificate of the voter, with his signature and the number of the ballot which was given to him recorded on it. The form of the voter's certificate might be substantially as follows:

VOTER'S CERTIFICATE

General Election November 6, 1930

I hereby certify that I am qualified to vote at this election.

Name...................................

Address...................................

Ballot Number........

Specification 28. **Assistance to voters. Assistance should be given only to voters who state under oath to the inspector that they are physically unable to mark their ballot without assistance. No assistance should be given to the illiterate voter. A notation should be entered on the voter's certificate, and either an election officer or a member of the voter's household should accompany him to the voting booth, read aloud to him the names of the candidates for each office and mark the ballot according to his oral instructions.**

Comment: In many cities the so-called assistance to voters constitutes a grave abuse. Controlled voters are intimidated and required to ask for assistance, regardless of whether they actually need it, and in some precincts the political worker accompanies the voter to the booth. This should never be permitted. Statutory provisions designed to prevent this abuse are apt to be disregarded. The only effective means of regulating assistance is to prohibit it, except to persons physically unable to mark the ballot, and even this provision may not prevent the abuses. The voter should be required to take oath that he is physically unable to mark his ballot without assistance. In New York and California no one may secure assistance unless when he registered he stated that he would require assistance, and this fact was recorded on the registration record. This feature should be included in all new registration laws. An evil which has sprung up in some cities is the practice of the party machines of giving the controlled and ignorant voters a printed list of persons to be voted for, with instructions to ask for assistance and to hand this list to the election officer to have the ballot marked accordingly. This practice should be prohibited by requiring the assisted voter to instruct the officers orally how to mark his ballot.

Specification 29. **Challenges. Any election officers or watcher should have the right to challenge any person who has applied to vote. The challenger should be required to state a definite ground upon which the challenge is made, to support this with a brief statement of the facts or his belief, and to sign the challenge. The inspector in charge should then place the challenged voter under oath, interrogate him concerning his qualifications as a voter, and before permitting him to vote, explain to him the pertinent qualifications and require him to sign an affidavit covering the qualifications upon which he is challenged. A standard form for recording each challenge should be used. The number of the ballot given to the challenged voter should be recorded on the back whereof. The voter should not be permitted to vote if, according to his answers, he does not possess the nec-**

essary qualification, or if he refuses to answer any pertinent questions put to him or to take the required oath. The election office should also have the power to make challenges, upon evidence that the voter is not qualified, by attaching a challenge notice to the registration record. The challenge notice should state the grounds of the challenge, with a blank for the precinct inspector to make an entry if the voter appeared.

Comment: In many communities challenges at the polls are almost unknown. In other places, however, they are highly important. There should be a concise written record made of each challenge, which should be preserved and turned in with the other records. The precinct inspector should report to the election office if he has reason to believe that challenges are being made to obstruct and delay the election. If upon investigation, it appears that such is the case, the chief election officer or his deputy should have the offending persons arrested.

Specification 30. **Any civic organization or committee of citizens interested in the outcome of an election, and in partisan elections each political party, should be permitted, upon petitioning the election office ten days prior to an election, to appoint two qualified electors as watchers for any and all precincts, with suitable credentials. Such watchers should be permitted to compare the signatures of the voters, scrutinize the ballots as they are being counted, but should not be permitted to handle the ballots, either during the day of election or during the count.**

G. THE COUNT

Specification 31. **The state board of elections should prescribe the method of counting ballots and making returns, and instruct the precinct officers in their duties. The regulations and instructions should be varied somewhat from election to election, to meet the particular requirements of each, and improvements should be made from time to time.**

Comment: The existing laws governing the counting of ballots are unsatisfactory. In most states they provide that each ballot shall be called off by one officer, while another officer looks on or checks the ballot, and that two clerks shall tally the vote as it is called off. Ordinarily this method is not followed by the precinct officers, who devise their own system, and frequently divide the work up, using bystanders and watchers to help out. In a few states the procedure of counting one ballot at a time, as it is called off, is prescribed by law so rigidly that it is followed, with the result that the election officers are forced to count for long hours, often until late in the following day, or even later. It has been suggested by some election officials that the law should make no attempt to prescribe the method of counting, but leave it entirely to the precinct board.

In other respects the method of counting the vote generally employed is unsatisfactory. Recounts prove over and again that the count is highly inaccurate. A recent recount in Milwaukee, for example, which has one of the best election administrations in this country, showed that in 123 precincts recounted, only one precinct had accurate results. And only one office was recounted! It is impossible to expect precinct officers to be able to count accurately after they have been on duty twelve hours or more, and then have to count the ballots far into the night.

The system of counting should be devised to prevent the delay in the returns, which is an invitation for fraud in some of our large cities; make it possible to employ extra persons as they are needed; fix the responsibility for the accuracy of the count; and furnish a more suitable and uniform procedure. Accuracy is out of the question with the conditions under which ballots are counted at present. One solution of the problem is the voting machine, and it must be conceded that accuracy can be secured only by a mechanical count.

These results can best be secured through administrative rules and regulations, issued by a state board of elections, in consultation with the local election authorities. The instructions will require variation from one election to another, for the work of counting ballots varies considerably at different elections. The rules and regulations governing the count should be worked out with great care when first issued, but modifications will be found necessary from time to time. Most of the gross irregularities and inaccuracies which now mark the counting of ballots can be avoided by regulations which prescribe more practicable methods.

The state board of elections might adopt or permit one or more of the following systems for the counting of the ballot (where paper ballots are used):

1. The count to be made by the regular precinct officers, continuing after the close of the polls until the count is completed.
2. The count to be made by the regular precinct officers, supplemented in heavy elections by additional clerks who go on duty at the close of the polls, or earlier for use during the rush hours.
3. The count to be conducted by a separate set of precinct officers, coming on duty some time during the day of election, or at the close of the polls.
4. A central count made by separate counters under supervision.

It is recognized that each of these systems has some advantages and disadvantages, and which method should be followed may depend rather largely upon the conditions in the particular state and at the particluar election. Indeed, the state board of elections should have the power to authorize or prescribe different methods to be used as the circumstances require.

The count by the regular election officers of the precinct has the merit of simplicity, a somewhat better fixing of responsibility for the honesty of the election than if the count is made by different persons, and works satisfactorily in many elections. In some elections it works badly. The officers are tired at the end of the day of the election, and if the size of the ballot is large or the number of votes cast is considerable, the count may continue far into the night, or even until the following day. Under such circumstances errors are inevitable. It is not wise public policy to require the election officers to serve continuously for periods of twenty to twenty-four hours, or even longer. It makes it difficult to secure satisfactory officers. The use of the regular election officers frequently makes it imperative to have small precincts, thus greatly increasing the cost of the election.

The second method is identical with the first, except that provision is made for the use of additional clerks to assist in the count, particularly if the election is heavy. In many states an unnecessarily large number of precinct officers are used throughout the day because they will be needed during the count. In other states small precincts are used at an excessive cost as a means of keeping the job of counting within the ability of the regular precinct officers. Both practices are unwise. Our election administration is often wooden and inflexible. Provision should be made for the recruitment of additional clerks to be used during the count, or perhaps to start work at five or six o'clock in the evening to assist also during the rush period of the voting. Capable persons could be secured readily for these hours, coming after the close of ordinary business hours. In many light elections there would be no need for the employment of extra persons to assist in the count, but in heavy elections their use would speed up the count and greatly relieve the regular precinct officers. Substantial economies could be secured through the use of larger precincts with a smaller number of election officials during the day.

The third system, that of using a separate counting board, is used in the following large cities: Omaha, Denver, Salt Lake City, and Portland, Oregon. It is also used in other cities in the states in which these cities are located, and within several other states. It was used for several years in New York City, but was given up, even before the use of voting machines became compulsory. Generally speaking, it is not satisfactory. One of the principal objections is that the returns are given out during the day of election, although the state laws strictly forbid it. In some communities where the counting board is used it is said that the candidates congratulate each other upon victory by the middle of the afternoon. On the other hand, in Omaha, where the count is handled with greater strictness, no particular trouble has been encountered on this score.

Where a separate counting board is employed the cost of the election is very materially increased. More precinct officers are required, and the compensation is smaller for each officer, with the result that it becomes more difficult to secure competent persons. If the count starts before the close of the polls, a separate counting room is required, and sometimes there is danger that the count may be conducted under conditions not favorable to honesty and accuracy.

The principal argument for a separate counting board is that the work of counting the ballots in certain elections is so arduous as to make it practically impossible for the work to be done by the regular election officers, at least within a reasonable time. The use of a separate board makes it possible to secure the election returns several hours earlier.

The fourth system, that of a central count, has been used very little in this country. It was tried in San Francisco a number of years ago and was abandoned after trial for several elections as impracticable. The returns were delayed for several hours, and one election was reversed upon recount.

The cities which use proportional representation (Cleveland, Cincinnati, Hamilton, Ohio; Boulder, Colorado; and until 1929, Ashtabula, Ohio), have a central count, but the conditions are so different that no conclusions for or against a central count can be drawn. The central proportional representation count is for members of the city council only, and in the larger cities the returns are delayed for several days. In all of these cities, except in Cleveland prior to 1929, the count has been conducted in an accurate and satisfactory manner.

The advantages which obtain with a central count are that the work can be done under supervision, and by a corps of clerks selected because of their clerical experience. The disadvantages are that the arrangements are difficult to make, delays in getting returns are almost inevitable, and the counting conditions are apt to be such as to make it difficult to do the work accurately.

The state election laws governing the conduct of the count practically all require the entire election board to count as a single unit, prohibiting the division of the work so that it may be carried on by two or more teams. In actual practice, many election boards divide the work up so that the count is conducted by two teams simultaneously in order to complete the work within a reasonable time. This is done contrary to law, and without adequate records to safeguard against frauds and errors. A great improvement would be made in the count if the work were divided in some orderly manner, with suitable records, and the election boards permitted to divide into two counting teams. The most feasible manner would be to divide the ballots into blocks of one hundred each, and provide a separate tally sheet for each block, which would be attached to it after the count was completed. The two or more teams could count one block after another, recording the results on the tally sheet for the block, with the names of the members of the team, and later consolidating the individual tally sheets into a precinct return sheet. In partisan elections, where party column ballots are used, straight ballots should be separated from the split ballots, and counted separately before the split ballots are counted.

Specification 32. **The state board of elections should prescribe the number, form and disposition of tally and return sheets.**

Comment: The form of the original tally sheet for each block of 100 ballots, which should constitute one of the official returns, should be somewhat as follows:

TALLY AND RETURN SHEET

Number of Ballots............

Ward .... Precinct ....

Called by ....

Tallied by ....

Approved by ....

For Governor

Robert Jones

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20

21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37

38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54

(and so on to 100) (Printed small) ....

Samuel Smith (as above) ....

Void and blank (as above, but fewer numbers to tally) ....

Total ....

There are several merits in the above form of a tally and return sheet, though the exact form should be prescribed by the state election board. It does away with the tediousness of entering four lines and a tally in small squares and makes for greater accuracy. The person making the tally would simply draw a line through the next number for each candidate as a vote is called for him. By keeping a record of the void and blank votes, and by adding the total votes for each office group, the accuracy of the count can be checked, and errors corrected.

From the original tally sheets for each block of 100 votes the official return sheet for the precinct should be prepared. Three copies should be made, two of which should be carbon copies. Two of these should be turned in to the election office, one copy to be given to the press, and the third copy should be mailed to the state board of elections in a stamped envelope provided for that purpose, as a safeguard against possible alterations. The original tally sheets should be attached to the blocks of ballots.

H. VOTING MACHINES[1]

Specification 33. **The state election law should authorize the use of voting machines under conditions whereby the maximum economy of operation may be secured, consistent with satisfactory operation. The size of the precincts should not be prescribed by law, but should be determined by the election commissioner, so that they may be as large as conditions will permit, and the number of officials used to the precinct should likewise be left to the discretion of the officers in charge of elections. Local units of government should not purchase machines, however, until they had been used experimentally in several elections, in order that the proper machines may be purchased, and the average capacity of each machine under local conditions may be determined.**

Comment: Voting machines have been in use in New York state for more than thirty years. Rochester was the first large city to install them, purchasing some machines in 1898. Buffalo and Syracuse followed suit in 1900, and the use of machines spread quite rapidly in the state, though New York City did not buy machines until 1925, and was not fully equipped until 1929. At the present time some two thousand communities in the following states use voting machines:

STATES USING VOTING MACHINES IN PART
(Listed in order of the extent of use)

New York
Connecticut
Indiana
Iowa
Washington
California
Michigan
Wisconsin
Pennsylvania
(being installed in 1930)

A list of the large cities in the United States using machines, including the Pennsylvania cities installing machines this year, includes the following:

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[1] Two members of the committee, Honorable H. A. Nichols of Rochester, New York, and Honorable J. H. Zemansky of San Francisco, have had practical experience over a period of many years with voting machines, and both are enthusiastic advocates of machine voting. These members would prefer that the report endorse voting machines in stronger terms. Speaking of his experience with voting machines, Honorable J. H. Zemansky writes:

"Voting machines were first used in San Francisco in 1905. All machines were destroyed by fire in October, 1906, except 53. From 1906 to 1923 paper ballots were used in all elections. The ballots were large and difficult to count. Every method was tried to quicken the count. One method was the central counting. All the ballots were brought to a large auditorium and there counted by a new set of clerks, all of whom had passed a civil service examination to qualify. This method was tried at four different elections without success. The length of the time for counting was not changed nor was the count as good as those counted at the polls. At a recount of the votes cast under this method, the original results were changed. It was revealed also that about 25 per cent of the people made errors in marking their ballots.

"Machine voting was again considered and after a thorough canvass of those in use, it was resolved to again apply machine voting and counting. In 1923 fifty machines were purchased. They were a success from the start. Our only difficulty was to educate the public. At each election since 1923 more efficiency has been accomplished; at the election held November 5, 1929, not a single complaint was made as to the use of machines. San Francisco will never go back to paper ballots. The press, public bodies, and the public in general have openly declared for the continued use of voting machines."

Honorable H. A. Nichols states: "In my opinion there is no good argument against the voting machine. I honestly believe that they are the best method of voting yet devised. . . . To sum up the whole question, the voting machine is honest, accurate, economical and efficient, and no municipality will regret adopting voting machines."

Large Cities Using Voting Machines

New York City
Philadelphia
Pittsburgh
Buffalo
San Francisco
Seattle
Indianapolis
Rochester, N. Y.
Syracuse
Los Angeles (part)
Des Moines
Hartford
Grand Rapids
Tacoma
Oshkosh

On the other hand, a number of cities and counties in various states have tried voting machines and, for one reason or another, have discontinued their use. A list of the large cities which have thus discontinued the use of voting machines includes the following:

Large Cities Which Have Discontinued the Use of Voting Machines After Trial

Chicago
Milwaukee
Minneapolis
Omaha
Newark
Jersey City
Denver
Salt Lake City
Los Angeles (now resumed)
Portland
Racine

The reasons for the discontinuance of machines have varied from state to state, and in many cases had little to do with the merits of the machines. Some places discontinued the use of machines years ago before the machine had reached its present perfection, others did not give the machines a fair trial; while in several states the election laws were amended in some manner so as to make it impracticable to continue the use of machines. In Chicago the scandal in connection with the purchase of the machines precluded their use. In many communities the machines have been discontinued because the polls became badly congested at an election shortly after the machines were installed.

At the present time there is a considerable movement for the adoption of voting machines in the states where they are not now used, or are used only in part. The large cities in Pennsylvania voted overwhelmingly to adopt voting machines in 1929, largely as a means of preventing flagrant voting frauds. Under a recent decision of the Ohio Supreme Court, voting machines may be used in that state[1] and the legislature provided for their use in the new election code of 1929.[2] Several of the larger cities of the state are actively considering the adoption of machines.[3] Voting machines are at present being pushed in Boston, Detroit, Baltimore, Cleveland, and a number of other large cities, and it is quite probable that the next few years will see a substantial spread of their use.

The principal merits claimed for the voting machines are the following:

1. Accurate returns.
2. Reduction or elimination of many types of voting frauds.
3. Quick returns.
4. Secrecy.
5. Elimination of mistakes by the voter.
6. Avoidance of recounts.
7. Economy.

The election returns under the use of voting machines are mechanically accurate, barring a breakdown of the machine, which is extremely rare. The other principal possibility of an error is that the precinct officers may make mistakes in reading off and recording the counters on the machines, which is not great. Where paper ballots are used, and the vote is counted by tired election officers at the end of a long day, many mistakes are inevitable. Every recounted election case brings out the fact that errors in the count are the rule rather than the exception.

Ballot-box stuffing, falsification of

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[1] *State, ex rel.,* v. *Sprague,* 117 Ohio State 289 (1927).

[2] *Ohio Legislative Acts,* 1929, pp. 382–385.

[3] See a report by the Ohio Institute, "An Analysis of the Desirability of Installing Voting machines in Ohio Cities," May, 1930.

returns, and alteration or substitution of ballots at the close of the polls, are the principal types of election frauds which have prevailed within recent years in Chicago, Philadelphia, and Pittsburgh and other large cities. While it cannot be claimed that the voting machine will eliminate all frauds, it will make it difficult to carry on these principal types. The system of lock and seals used on the voting machines makes it impracticable to manipulate them, and the actual experience in cities where they are used is that they are rarely, if ever, manipulated. Voting machines are being installed in Pennsylvania primarily as a means of preventing voting frauds.

The third advantage of voting machines is the quickness of the returns. In light elections, at which only a relatively few offices are filled, it is common for the results to be known within one or two hours after the close of the polls. In the larger election, the time required is longer. The voting machines tend to preserve the secrecy of the vote more effectively than paper ballots, since the voter is completely curtained from observation while voting, and there is no paper ballot to identify later on. The machine is set so that the voter cannot vote for more than the proper number of candidates for each office, and hence cannot spoil his ballot. Not only that, but he does not have a paper ballot to deface or improperly mark, and thereby have it thrown out. It should be pointed out, though, that he may mistakenly pull down the wrong levers, or may spoil his vote by putting them up before recording his vote, or be hurried into straight voting. Recounts are rarely employed where machines are used, because the candidates feel sure that the results are accurate. If fraud is suspected a recount can be had easily and economically, merely by unsealing the machines and re-reading the counters.

The last argument for the use of the machines is the economies which they effect. The cost of elections is lessened by the use of larger precincts, fewer officials to the precinct, shorter hours and consequently smaller pay of the precinct officers, and a smaller cost of printing ballots. With voting machines, it is practicable to use several machines to the precinct, and have a thousand or more voters to the precinct. As a matter of fact, this is not ordinarily done, and the size of precincts where machines are used are not, on the average, appreciably larger than where paper ballots are used. There are numerous precincts in Massachusetts and Wisconsin which run well over a thousand voters, though paper ballots are used. The claims made as to the number of persons who can be handled on a machine are often exaggerated. Even in the banner year of 1928, the average number of votes cast per machine in New York City (including the machines kept in reserve) was 384, while the average in San Francisco was 153. In other years with a smaller vote, the average number of votes cast per machine is much smaller.

Fewer officials are required for each precinct if voting machines are used. In some states only three officials are used with machines, with an extra officer for each extra machine. In other states the election laws do not permit the use of a smaller number of precinct officers. The savings, however, in the salary of precinct election officers is usually substantial. The savings on the printing of ballots are small, for the cost of printing the ballot labels for the machines approximates the cost of printing ordinary paper ballots, and ordinarily paper ballots have to be printed for the use of absent voters.

Most claims of the savings which voting machines will effect fail to take into account altogether the capital outlay, with the proper interest and depreciation charges. This, indeed, is one of the largest charges in the use of machines, and in many cases equals or exceeds the savings made on other items. While there is little wear upon voting machines, since they are usually used only two or three days in the year, the risk of obsolescence and the possibility that the election laws may be changed so as to prevent the use of machines should be considered in estimating the operating cost of voting machines. Account should be taken also of the cost of setting the machines for elections, drayage and storage. The actual savings made by the use of machines in most states, after these factors are taken into account, are very small. Machines should not be purchased ordinarily with any thought of effecting substantial economies. The real merits of machines are that the results are accurate, the danger of fraud is greatly lessened, the returns are secured within a short space of time, and expensive recounts are avoided.

The arguments commonly raised against voting machines are these:

1. It is difficult to educate the voter how to operate the machine.
2. They are likely to break down at the polls.
3. Many cities have discontinued them after trial.
4. They make "split" voting difficult.
5. They may not be used for proportional representation elections.
6. The economies claimed will not be realized.
7. They cannot handle the rush of voters toward the end of election day.

Several of these considerations have already been discussed. It cannot be denied that considerable difficulty is encountered in teaching people how to vote on the machine, even in places where they have been in use for years. Nevertheless, the vast majority of the general public seems to be quite enthusiastic about machines in the cities where they are used. The effective and satisfactory use of machines in New York City, with its large foreign population, would indicate that they may be used successfully anywhere, if a sufficient number of machines is provided. The argument that the machines may break down during the day of the election is unimportant, for breakdowns are extremely rare.

There is little evidence to support the assertion that the machines make split voting more difficult. The present machines, obviously, cannot be used in proportional representation elections, but this is not a weighty argument against them, since only four cities in this country have proportional representation, and even these cities could use voting machines for all other elections, and for the election of other officers at the time when proportional representation is used. The greatest fault which can be found with the machine is the fact that it cannot take care of a large number of voters within a short space of time, and often results in congestion at the polls. After the voters realize this, many of them vote earlier in the day to avoid the rush, and the machines work satisfactorily. Congestion, however, has led some cities to discontinue their use.

I. ABSENT VOTING

Specification 34. **All persons who are absent or who expect to be absent from the city or county in which they reside, or who are unable because of illness or infirmity to attend the polls, should be permitted to vote under the provision for absentees, regardless of**

whether they are within their home state or not.

Comment: Most of the states now have some provision for absentee voting. In some states these provisions apply only to a narrowly restricted class, or to persons within the state, which is undesirable. There is no point whatever in restricting absent voting to certain classes, such as traveling salesmen, federal and state employees, railway employees, or other specified groups. Other persons who will be absent or unable to attend the polls should be permitted to vote in this manner. With a suitable procedure, the danger of fraud through absent voting is not appreciable. In practically all of the states the procedure followed is quite cumbersome and unsatisfactory. Usually it is burdensome upon the voter who wishes to avail himself of the privilege, with the result that few voters make use of absent voting. Absent votes average less than one per cent of the total votes cast.

Specification 35. **Procedure. The two following optional methods should be provided:**

1. The voter should be permitted to vote by applying at the election office during the week prior to the election, upon signing an affidavit that he expects to be absent on the day of the election.

2. The election office should mail an absent voter's ballot, together with the necessary blanks and instructions, to any voter who makes a written application therefor. It should not be required that the voter submit such application upon any particular form, or have the application accompanied by an affidavit. The absent voter should be instructed to appear before an officer qualified to administer oaths, subscribe to the affidavit, mark the ballot in the presence of the officer, but so that the secrecy is preserved, place the affidavit and the folded ballot in an envelope, and mail it to the election office in time to arrive on or before the day of the election.

Comment: If the voter expects to be absent on the day of election, but is at home during the preceding week, he should be permitted to vote ahead of time by appearing at the election office and subscribing to the customary affidavit. This would be a great convenience to many voters, and is used in a number of states.

Ordinarily the absent voter must write to his home election office to secure the necessary application and affidavit form to vote by mail, then he must fill these in and appear before a notary, and mail the application to the election office to secure an absent voter's ballot. Upon receiving the ballot, he must appear again before an officer authorized to administer oaths, subscribe to another affidavit very similar to the first one, mark the ballot and leave it to be forwarded. There is no necessity for two affidavits and the red tape of writing for a formal application blank. All of this causes delay and prevents the full use of absent voting. In some states where there is a scarcity of notaries the voter should be permitted to have his affidavit witnessed by two qualified electors in lieu of a notary.

Specification 36. **Counting the ballots of absent voters. The absent voters' ballots received prior to the sending out of the supplies should be sorted by precincts and turned over to the precinct election officers with the other records. In cities, such additional ballots as are received until noon of the day of the election should be sent to the precincts by a messenger. The precinct officers should open the absent ballot envelopes, compare the signature on the affidavit with the signature on the registration record,**

and if satisfactory, deposit the ballot in the box.

Comment: The simplest and most effective method of handling absent voters' ballots is to have them counted in the precinct with the other ballots. This preserves the secrecy of the ballot, makes the precinct returns complete, permits a ready identification of the voter by the use of the signature, and avoids the necessity for marking the registration record of the voter to indicate that an absent voter's ballot has been sent to him.

J. THE CANVASS

Specification 37. **The officer (or office) in charge of elections should make the official canvass of the election as soon after the election day as practicable, publicly announce the results, and issue certificates of election to all persons duly elected.**

Comment: The canvass of the vote is ordinarily a routine clerical operation. Little or no discretion is vested with the canvassing board, and there is no sound reason why the city clerk or other officer in charge of elections within a city should not make the official canvass for all city officers, the county clerk for county officers, and the secretary of state for state officers and also for officers whose jurisdiction overlaps counties. The common practice at present is for the official canvass to be made by a canvassing board or by the legislative body. In Canada, however, the returning officer in charge of the election makes the official canvass and return as soon as possible after the close of the election. In some states a special canvassing board performs this routine work at a large expense.[1] In other places, the canvass is not completed for weeks after the election day. These practices are inexcusable. The newspapers usually have the tabulations complete practically as soon as the last precinct return is in. There is no reason why the official canvass should take more than two or three days.

K. RECOUNTS

One of the greatest safeguards of the purity of elections is to provide an easy, economical, and prompt procedure for a recount of the votes. Ordinarily the procedure is for the contestant to appeal to the proper court for an order to have the ballots recounted, and the recount is conducted under the jurisdiction of the court. In New York, however, there is no official recount, though the ballots may be recounted or the machines inspected, upon a court order, and the results submitted as evidence in a *quo warranto* proceeding. A better procedure would be to permit the election office to conduct recounts without the necessity for a court order.

Specification 38. **Any candidate or group of candidates should be permitted to secure a recount by filing within ten days after the results of an election are officially announced a petition therefor, and depositing the sum of five dollars per precinct for each precinct petitioned to be recounted. The election officer (without any discretion in the matter) should fix a date within forty-eight hours at which time the recount will be started, and notify the candidates for the office. At such recount the officer in charge of elections should deputize teams of four persons to count the ballots for the particular office in question. Each candidate should be permitted to have**

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[1] In Jefferson County, Kentucky, for example, the cost of the official canvass for the November election in 1928 was $5,078, and for the corresponding election in 1929, $6,290, while the cost of the precinct officials for the conduct of the 1928 election was only $9,517.28. In 1929 the chief tabulator in the canvass was paid $500, the assistant tabulator, $350, 16 tabulators at $200, and so on.

watchers present at the count, who should be permitted to scrutinize the ballots. The recount should be conducted under the same rules and regulations as govern the original count, and should be conducted with promptness and dispatch. The seals on the ballot boxes should be broken in the presence of the watchers as the recount is conducted, and the ballots returned to the boxes and sealed as each precinct is counted. While the recount is in progress any candidate concerned should be permitted to amend or to withdraw his petition or to file an original petition to have designated precincts recounted.

If the cost per precinct is less than five dollars, the surplus should be refunded. If the result of the election is changed, the entire amount deposited by the contestant should be refunded to him. The candidates should be permitted to designate the precincts which they wish to have recounted and to amend and add to the list from time to time.

If the vote for any candidate recounted or upon any referendum question recounted is five per cent greater or five per cent less in any precinct than the original return showed, the petitioner should not be required to pay for the recount in that precinct.

Any qualified elector should be permitted to secure a recount on a referendum vote upon filing a petition designating precincts and depositing a fee of five dollars per precinct, within ten days after the official returns are published, with the same rules as above.

Comment: The above procedure would not remove jurisdiction from the courts, but would rather precede it. The problem of a recount under proportional representation is quite different from other elections, and consequently no mention is made here of that procedure.

L. PENAL PROVISIONS

The penal provisions of the election laws of the several states are tediously detailed, going into the various election crimes with great particularity. After some consideration, the committee has decided that it would be unwise to attempt to work out a uniform penal code, though the accompanying model code does contain several general penal sections, designed to cover offenses committed by election officials and other public officers. When this code is considered as the basis for an election bill in any state, the penal provisions of the election law of the particular state should be examined and revised to conform to the terms of the bill. The general penal sections in the following code are not designed to displace the existing penal provisions, but rather to supplement them. In many cases, however, the lengthy penal provisions should be abbreviated, and many of them eliminated entirely. The committee is mindful of the fact that while penal provisions are essential, and should be definite enough to stand up during a criminal prosecution, after all, convictions for election crimes are rarely secured, and improvement in administration and the elimination of frauds must be secured largely through a revision of the administrative and organization sections of the election laws.

Attention is called to the practice in Illinois under the City Election Act, whereby the county judge is the chief election officer of municipalities adopting the act, and, as such, may punish election officers for contempt without a jury trial. In Cook County the present county judge has sentenced, after trial to determine their guilt of election frauds, many precinct officers under his power to punish for contempt. This device constitutes a powerful weapon which may be used to safeguard the purity of elections, though it may not be used without making the election officers servants of the court.

Specification 39. **The election commissioner should be authorized to refuse to pay the salary to election officers who neglect, disregard or violate the provisions of the state election law, or of the rules, regulations and instructions of the state board of elections. Before any compensation is paid to the precinct officers, the election commissioner should cause to be made an examination of the records and such other investigations as he may deem necessary. Appeals from the decision of the election commissioner to a court of proper jurisdiction should be allowed. Such forfeiture should not operate to exempt the precinct officers from criminal prosecution.**

Comment: The penal provisions covering election offenses are largely inoperative because of the difficulties attendant upon the prosecution of election crimes. Although such provisions are now universally relied upon as a means of securing compliance with the election laws, it must be recognized that the procedure is too unwieldy and the punishment too severe to take care of petty violations, as well as neglect of duty. To secure compliance with the routine regulations, where there is no question of fraud or flagrant misconduct, other and less severe penalties, without the formality of a court trial, are needed. The whole administration of elections might be toned up considerably if the officials in charge had a ready and effective means of enforcing routine instructions and disciplining precinct officers. In some cities the election office has used, without statutory authority, the threat of withholding the salary of election officers in case of failure to return election supplies or for other neglect, with successful results.

As a separate part of the report, there are set forth here specifications for the improvement of the general election system, which are closely related to the problem of the routine administration of elections. Some of these recommendations cannot be accomplished without amending the state constitutions; others cannot be adopted at present because of serious political opposition. Nevertheless, the suggested improvements are important and should be looked upon as a long-time program for the improvement of our election system.

PART III—GENERAL CHANGES IN THE ELECTION LAWS

A. THE TIME AND FREQUENCY OF ELECTIONS

Specification 40. **The elections should be arranged so that there will not be normally more than one regular election to the year, preceded by a primary if such is necessary.**

Specification 41. **The primary preceding state elections should not be held earlier than two months prior to the date of the election; the nonpartisan primary preceding local elections should not be held earlier than two weeks prior to the date of the election.**

Specification 42. **In order to avoid the expense and bother of a special election, vacancies should be filled by appointment until the next regular election. Special referendum elections should be restricted, wherever possible, to urgent matters which cannot be delayed until the next regular election.**

Specification 43. **So far as possible, the election of national, state, county and municipal officers should be separated.**

Comment: Many of our states are afflicted with too many elections. The interest of the public is frittered away to a large extent by constant elections.

So far as possible, there should be no more than one election, preceded by a primary where such is necessary, in one year. This is desirable from every point of view. It would reduce the cost of elections and save the voters from the bother of frequent elections. Under the present state laws often there are as many as four or six elections within a single year. It is no wonder that the voter loses interest.

Another grave fault of our election system is that there is a mingling of national, state, county, and sometimes city elections. Within the last quarter of a century the municipal elections have been largely divorced from state and national elections, with much better results, but we still tolerate the combination of county, state and national elections at the same time. It is hardly necessary to point out that the election of minor officials at such a time is little more than a farce. It is highly desirable to elect the officers of each of these jurisdictions at a separate election. The public interest would then be centered on the candidates and issues of the particular unit of government. This should be accomplished without an increase in the number of elections. The ideal arrangement would be to provide for a four-year term of office for all elective executive and administrative officers, and to separate local, state and national elections as much as possible. There are obvious difficulties in the way of such a proposal. In most states it would involve a change in the constitution, though such a change, if understood by the voters, would be adopted by an overwhelming majority. There is a marked trend toward the adoption of four-year terms for public officers, but this has not been accompanied by a proper arrangement of the elections.

A typical arrangement carrying out the principle separation of elections would be as follows:

1931—City and county election.
1932—Presidential, congressional, and state legislature election.
1933—City and county election.
1934—State and congressional election.

Frequently members of the city council or the county board have overlapping terms, with part of the members coming up for election every year. While there is some merit in this arrangement, it is not important enough to justify the holding of additional elections or combining elections.

Another grave fault in our election system is that the campaigns are unduly strung out. This is due in part to the practice of having direct primaries several months before the election. In many states the direct primary prior to the regular November election is held in August, making necessary a campaign in July (the worst month in the year for political campaigning), and with an interval of three months before the election. This practice is inexcusable. It makes two separate and distinct campaigns of what ought to be one. For nonpartisan elections, two weeks between the primary and the election should be ample, and for partisan state elections, the primary should precede the election by not more than a month or six weeks.

There is no justification for holding a direct primary months before the election. A primary to elect delegates to a nominating convention may be called, with good reason, as much as two months before the election, but even in this case it is unwise to lengthen the campaign unduly.

B. NOMINATIONS

Specification 44. **At every election or primary at which the individual**

candidate is required to file a petition to be placed upon the ballot, he should be required to deposit a fee of five per cent of the annual salary of the office for which he becomes a candidate, the deposit to be returned to him should he poll ten per cent[1] of the total vote cast for that office or nomination. In general partisan elections the ticket of all parties which cast five per cent of the total vote cast at the preceding gubernatorial election, for any office, should be placed upon the ballot without deposit; other political parties should be required to put up a filing fee equal to five per cent of the annual salary of all offices on the ticket, to be refunded in case the party casts five per cent of the total vote cast for any state office.[2]

Comment: The use of a filing fee large enough to discourage candidates who are not serious contenders would have a very salutary effect upon our elections. One of the principal causes of our long ballot is that many persons, for one motive or another, run for office, though they have no expectation of being elected. Sometimes it is the crank; sometimes it is the young lawyer or business man who wishes to avail himself of free advertising. In many communities the same persons run for office over and over again without the least expectation of being elected. It is a sad commentary upon our elections that occasionally an unheard-of person is elected to a high office. Some means should be taken to prevent the ballot from being cluttered up with the names of persons who are advertisers or cranks. The American public should scorn or ridicule such candidates. The most feasible method of restricting the elections to candidates who are serious contenders is to require a substantial filing fee of each candidate, with the provision that any candidate who receives a fair vote will have the fee refunded to him. Already many states require a nominal fee. If there is any question as to the constitutionality of requiring such a fee, an optional method, sufficiently difficult, should be provided whereby any candidate could file a petition to be placed upon the ballot.

It may be objected that a filing fee would make it difficult for the poor man to run for office, while not deterring rich man. This is not a serious objection. It would relieve the candidate of the expense of having a petition paper circulated, and since the fee would be returned to the candidate in case he polled a reasonable vote, the system works to the advantage of serious candidates.

Specification 45. **An alternative method. Candidates should be permitted to submit a petition. Only the signatures of registered voters (if there is a registration of voters) should be counted, and the election office should satisfy itself that the petition is bona fide by an investigation of the signatures.**

Comment: The operation of nominating petitions in this country is anything but satisfactory. Professional petition circulators may be found in many of our large cities, and almost everywhere the circulation of a petition means an expense to the candidate. This would be justifiable if the petition stood for something, but, as is well known, it is an empty formality. The average person will usually sign any sort of a petition placed before him, particularly that of a candidate, regardless of whether he knows anything about the person. He does not regard it at all as an endorsement of the candidate. Where no check is made upon the validity of the signatures they are often forgeries. While it is not desired to extend the use of petitions, or to make the process more expensive, if they are to be used at all, some safeguards should be taken. The petition should be made so difficult that the normal course would be to deposit the fee.

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[1] Under proportional representation this implies 10 per cent of the quota.

[2] This report does not attempt to cover the important and controversial problem of nominating methods.

Specification 46. **Each nominating petition should contain a list of ten sponsors. This procedure should be in addition to the filing fee proposed above, or an optional petition of a larger number of voters. After a nominating petition has been filed, the candidate should be permitted within a reasonable time (fixed by state law) to file a declination of the nomination.**

Comment: With the long ballot which prevails in this country the voter is often unable to secure any adequate information about the candidate, particularly for minor offices. The system of sponsors which is now used in California is promising, and should be adopted throughout the country. The voter can judge something of a candidate by his sponsors, and the system tends to clarify the election somewhat. It is important that the number be kept quite small, for otherwise the sponsor system will tend to become meaningless and clogged with the names of unheard-of persons.

Specification 47. **When there is only one candidate for election or nomination, for any office, that candidate should be declared elected or nominated, as the case may be, and the office omitted from the ballot.**

Comment: Our long ballot is a serious evil. Students of government everywhere realize the importance of taking off the ballot the unimportant offices, so that the voters may vote with some degree of intelligence, and so that our governments may become better organized. This is a difficult process, because of the worship of the theory of democracy, without any attention to the realities of democratic control of government. Except in the field of city government, little progress has been made in shortening the ballot. While the short ballot is not an essential part of the program for the improvement of election administration, yet in several ways the ballot could be shortened by changing our election laws.

Our ballots are long because we insist upon putting every candidate on the ballot, even though he is unopposed. In many elections, particularly primary elections, there is only one candidate for a majority of the positions. Where such is the case, the better practice of declaring the candidate elected (or nominated) should be followed. This would greatly shorten the ballot, reduce the expense, make the task of the voter simpler, and relieve the election officials to a large extent. On the face of it, it is absurd to clutter up the ballot with the names of candidates who are unopposed.

Specification 48. **In many communities the nonpartisan primary should be abolished as unnecessary.**

Comment: Nonpartisan elections prevail widely in this country for judicial, school, municipal, and, in a few states, county officers. Ordinarily such elections are preceded by a primary, in order to limit the number of candidates in the final election to twice the number of officials to be elected to each office. While it is recognized that the nonpartisan primary is necessary in many cities, particularly large cities, where the number of candidates is apt to be large, in many smaller communities this is not the case, and it might well be discontinued. The use of a filing fee with a forfeit provision would discourage numerous candidacies. If the nonpartisan primary could be dispensed with, this would reduce the cost of elections, do away with the bother of an extra election, and concentrate the public interest more effectively upon the final election. The occasional contest between three or more candidates for the same office would not matter a great deal.

Attention is called to the fact that the need for a primary election is obviated by the adoption of proportional representation or a suitable system of preferential or alternative voting.

C. THE SHORT BALLOT

No report on election administration would be complete without calling attention to our long ballot and recommending that many offices should be filled in other ways. In many states the voter is called upon to vote for from twenty to fifty officers at a single election. This procedure, particularly for populous cities, has become well-nigh farcical. It has been pointed out time and again that the long ballot defeats the very ends of democratic government, for it places upon the voter an impossible task. Democratic control can be secured much more effectively by the election of a few principal officers, who may be held accountable for the appointment of capable minor officials whose duties are administrative in character. The voting process is exceedingly distasteful to the intelligent and frank voter, who realizes that his information concerning the qualifications of the candidates for minor offices is meager. The county is the worst offender in regard to the long ballot, and is the most backward of all of our political units. Competent and responsible administration cannot be secured by electing ministerial officers, whether they be in the state, county or city government. A program for shortening the ballot should start with such officers as the justices of the peace, constables, coroners, clerks of the various courts, bailiffs, city and county clerks, and so on. These offices should be filled by appointment or through the civil service.

PART IV—A MODEL ELECTION ADMINISTRATION CODE[1]

Section 1. State board of elections. There shall be a state board of elections, which shall consist of the governor of the state, the attorney general, and the secretary of state.[2] The secretary of state shall be secretary of the said board, and shall have charge of all administrative work. It shall be the duty of the state board of elections:

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[1] The following code is purposely brief, since many details will be taken care of by rules and regulations of the state board of elections. It does not include the following standard parts of state election codes:

Suffrage
Dates of elections
Party organization
Registration of voters
Nomination of candidates
Corrupt practices
Initiative, referendum and recall

The registration of voters has been covered by a former report on *A Model Registration System*, NATIONAL MUNICIPAL REVIEW, January, 1927. The other parts listed above are largely political or policy matters rather than administrative problems.

This report does not cover the regulation of political campaigns and campaign expenditures, though the committee recognizes the great importance of this problem. It is felt that a scientific field study should precede any attempt at a solution.

[2] The following alternatives are also suggested: (1) that the secretary of state be the chief election officer of the state, with power to appoint an advisory board of election officials or citizens to assist him in preparing rules, regulations, and instructions for the conduct of elections; and (2) that the state board of elections consist of the secretary of state and two members appointed by the governor from party recommendations.

(a) To prepare rules, regulations and instructions for the conduct of elections and registrations.

(b) To advise with county and municipal election officials as to the proper methods of conducting elections.

(c) To publish and furnish to the precinct election officials prior to each election a manual of instructions.

(d) To publish and furnish to the election officials a sufficient number of indexed copies of the election laws, rules and regulations then in force.

(e) To edit and issue all pamphlets concerning proposed laws or amendments required by law to be submitted to the voters.

(f) To determine, in the manner provided by law, the form of ballots, blanks, cards of instructions, poll books, tally sheets, certificates of elections, and other forms or records.

(g) To prepare the ballot title or statement to be placed on the ballot for any proposed law or amendment to the constitution or state proposition to be submitted to the voters of the state.

(h) To certify to the local election officials the form of ballots and names of candidates for state offices, and the form and wording of state referendum questions and issues, as they shall appear on the ballot.

(i) To receive and determine the sufficiency of all initiative and referendum petitions on state questions, and to certify to the sufficiency of such petitions.

(j) To require such reports from the local election officials as may be deemed necessary.

(k) To compel the observance by the local election officials of the state election laws and the rules, regulations, and instructions issued by the said state board of elections.

(l) To investigate the administration of election laws, frauds and irregularities, and to report violations of the election laws and regulations to the attorney general or prosecuting attorney or both for prosecution.

(m) To publish an annual report containing the results of state elections, cost of elections in the various counties, and such other recommendations and information relative to elections as may seem desirable.

(n) To canvass the returns of state and national elections, and also the election of any unit of government not wholly contained within a single county, proclaim the result thereof, and issue to the successful candidates a certificate of election, and to perform such other duties as may be required by law.

In the performance of his duties as secretary of the state election board, the secretary of state shall have the power to administer oaths, issue subpoenas, summon witnesses, compel production of books, papers, records and other evidence, and to fix the time and place for hearing any matters relating to the administration and enforcement of the election laws and rules, regulations and instructions of the state election board. The rules and regulations issued by the state board of elections shall conform with the provisions of the state election law, and shall have the same force and effect as state law. The state board of elections shall fix its own rules and procedures for the conduct of its business, but all decisions shall require a majority vote. The members of the said board shall have the power to designate an alternate, who shall be a regular employee and assistant of said member, and who shall attend the sessions of the said board in the absence of his superior officer and act as his proxy.

Section 2. Commissioner of elections in cities of 200,000 population and over.

In cities[1] having 200,000 population or over at the last preceding federal census, there shall be a commissioner of elections, who shall be appointed by the mayor under the civil service rules and regulations of such city. The commissioner of elections shall hold office for an indefinite term, subject to removal for cause by the mayor, after notice and an opportunity for a public hearing. Any person who within a period of fifteen months has been an officer in any party organization shall be ineligible for appointment as election commissioner or as a regular or temporary employee of the election office.

The election commissioner shall appoint such regular and temporary employees as may be necessary for the conduct of the duties of the office. Such employees shall be selected from eligible lists prepared by the civil service commission of the city after competitive examination. The compensation of the election commissioner and all employees of the election office and precinct officers shall be determined by the city council.

The election commissioner shall have general charge and supervision of the conduct of elections and registrations within the city. He shall perform the following duties, and such other duties as may be imposed upon him by state law or by the regulations of the state board of elections, or as may be necessary for the proper conduct of elections and registrations:

(a) To divide the city into voting precincts, with such changes as may be necessary from time to time.

(b) To select and equip polling places and places for the conduct of registration.

(c) To provide for the purchase, preservation and maintenance of election equipment of all kinds, and to provide ballots and other supplies for the conduct of elections.

(d) To select and appoint precinct election and registration officers.

(e) To instruct precinct officers in their duties, calling them together in a meeting whenever deemed advisable, and to inspect systematically and thoroughly the conduct of elections in the several precincts of the city, to the end that elections may be honestly, efficiently, and uniformly conducted.

(f) To prepare and publish all notices, advertisements and publications in connection with the conduct of elections or registrations, or the purchase of election supplies or ballots, as may be required by law or by the regulations of the state board of elections.

(g) To investigate election frauds, irregularities, or violation of state election laws or the rules and regulations of the state board of elections. The election commissioner shall have the power to administer oaths, issue subpoenas, summon witnesses, and compel the production of books, papers, records, and other evidence in connection with such investigations; and shall report the facts to the prosecuting attorney.

(h) To review, examine and certify the sufficiency and validity of petitions and nomination papers.

(i) To receive the returns of elections, canvass the returns, make abstracts thereof and transmit such abstracts to the proper authorities provided by law, or to publicly announce the results of the election within his jurisdiction, and to issue certificates of elections.

(j) To prepare and submit an annual report to the state board of elections, which shall contain a statement of the number of votes registered, the elections held, votes cast, results of such elections, appropriations received and expenditures made, and such other data as the state board of elections may require.

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[1] In some states the county rather than the city is the local unit for the administration of elections.

(k) To prepare and submit to the proper authority a budget estimating the cost of elections and registrations for the ensuing fiscal year.

Section 3. City clerk to be election commissioner in cities of less than 200,000 population and of 10,000 population or over. In cities of less than 200,000 population and of 10,000 population or over, the city clerk shall be the election commissioner, and shall perform the duties listed in Section 2 above, with the exception that ballots for county, state, and national elections, and elections which extend beyond the boundaries of the city, shall be printed by the county clerk. In case municipal elections are held at the same time as county elections, the city clerk shall certify to the county clerk the names of the candidates for municipal offices, which shall be printed by the county clerk.

Section 4. County clerk to be the election commissioner in the county. In all counties the county clerk shall be the election commissioner for the county, and shall perform the duties listed in Section 2 above, except as otherwise provided for cities of 10,000 population and over.

Section 5. Precinct officers. On or before thirty days prior to the first election in even numbered years there shall be appointed for each precinct one inspector of elections, who shall be in charge of the conduct of the election in the precinct, and one or more clerks of election (but not to exceed three in any precinct, except precincts containing more than 800 registered voters). All decisions shall be by a majority vote of the precinct election officers. The precinct election officers shall be qualified electors, of good reputation, and with sufficient education and clerical ability to perform the duties of the office, and shall possess such other qualifications as may be prescribed by the state board of elections. In so far as may be practicable, not all officers serving in any precinct shall be members of the same political party. The following classes of persons shall be ineligible to serve as precinct election officers:

(a) Persons holding a public office, except justices of the peace, constables, notaries public, and school teachers.

(b) Candidates for public office, party office, or for nomination for public office at the election at which they will be voted upon.

(c) Persons who bear the relationship of husband, wife, son, daughter, father or mother to a candidate.

(d) A precinct committeeman or committeewoman of any political party, or a member of the family of a precinct committeeman or committeewoman.

(e) A person convicted of a felony or an election crime, or a person previously removed as an election officer.

The precinct election officers shall be appointed by the election commissioner for a term of two years, and may be summarily removed by such officer at any time. No person shall be appointed as precinct election officer until he or she shall have made a written application in his or her own handwriting and appeared personally before the election commissioner of the city or county or his assistant for an oral interview, except that such application and interview shall not be required of persons who have previously made such application. The election commissioner shall be personally responsible for the appointment of competent precinct election officers, and shall make such inquiries and investigations as he may deem necessary prior to the making of appointments. He shall summarily remove any precinct officer whom he believes to be derelict in his duty, or guilty of violation of the election laws or regulations, and appoint another person to fill his place. All vacancies shall be filled by the election commissioner, except that in rural precincts, the commissioner may authorize the precinct election inspector to fill vacancies. It shall be compulsory for any citizen, after being appointed, to serve as precinct election officer, except that no citizen shall be compelled to serve within a period of four years after having completed two years of service as election officer. Any person who shall refuse to serve as election officer shall be subject to a fine of not more than one hundred dollars and not less than ten dollars. All persons before assuming the duties of a precinct election officer shall take and subscribe to an oath of office prescribed by the state board of elections. The inspector of elections shall take and subscribe to said oath before the officer in charge of elections or his assistant, and shall in turn administer the said oath to new election clerks in his precinct who have not previously taken the oath.

Section 6. Ballots. All elections shall be by paper ballots or voting machines, and the form of such paper ballots or the ballot labels used in voting machines shall conform to the rules and regulations of the state board of elections. All ballots or ballot labels shall be so arranged that the candidates for each office are grouped together, and there shall be no party column, either vertically or horizontally, emblem or party circle, for the voting of a straight ticket upon the ballot. In all elections the names of the candidates shall be rotated so that each candidate will occupy each position within the group an approximately equal number of times, but the ballots in any precinct shall all be identical. In such elections as are designated as nonpartisan, no party name shall appear on the ballot following the name of the candidate. The officer in charge of the printing of the ballots is authorized, in case the names of two or more candidates are so nearly alike as to be confusing to the voters, to add to the name of a candidate, his residence address and occupation. In so far as it may be practicable, the names of all candidates to be voted for and all referendum propositions shall be printed upon a single ballot, but it shall be permissible to print separate ballots for the candidates and the referendum propositions, or to use more than one ballot for the names of the candidates. The state board of elections may require, for all or a part of the state, that the ballots shall be printed with a serially numbered stub, which number shall be recorded on the poll list when the voter is given a ballot, and the stub shall be removed before the ballot is deposited in the ballot box. Each official ballot shall bear on the face of the ballot the words "OFFICIAL BALLOT," with the name of the city or town, ward and precinct, and with a facsimile of the signature of the election officer of the city or county. No ballot shall be counted which does not contain this facsimile. The contract for the printing of ballots shall be awarded to the lowest responsible bidder, after sealed bids have been secured and publicly opened.

Section 7. Precincts and polling places. The election commissioner shall divide the city or county into voting precincts, with due regard to the various political units and the election requirements. The precincts in incorporated cities shall contain at least four hundred registered voters, unless this is impracticable. A double set of precinct officers or additional clerks may be provided when deemed necessary for precincts containing more than 800 registered voters, for all or for a part of the day of election, and to assist in conducting the count. Precincts shall be compact and contiguous, and shall be arranged, if practicable, so that some public building may be conveniently used as a polling place for the voters. The election commissioner shall fix the places for the conduct of elections and of registrations. Such places shall be located, so far as possible, in public buildings. It shall be the duty of the school authorities to provide suitable rooms within school buildings, and the police and fire departments and other municipal departments shall co-operate in providing suitable polling places. The polling places shall be located either within the precinct or within an adjoining precinct. Where it is not practicable to use a public building for the polling place, the officer in charge of elections may rent a suitable place, or provide a portable building for the purpose.

Section 8. Advertising the election. Within one week prior to each election the election commissioner shall either publish in one or more newspapers of general circulation a copy of the ballot or mail a sample copy to every registered elector. The published advertisement or sample ballot shall contain brief instructions for voting and shall state the hours during which the polls will be open. Thirty days prior to each election or primary the election commissioner shall post at his office a notice that an election will be held, and of the officers to be elected.

Section 9. .Hours of election. In cities of 10,000 population and over the polls shall be open at 7 A. M. and remain opened until 8 P. M. In other places the hours for voting shall be fixed by the state board of elections. All qualified electors present at the polls at the time for closing, and waiting to vote, shall be permitted to vote.

Section 10. Election records and supplies. All ballots, records, forms, and supplies for the conduct of elections shall be delivered to the residence of the inspector of elections for each precinct prior to the day of elections, or to the polling places on the morning of elections prior to the opening of the polls, and a receipt secured therefor. The precinct inspector shall return the records, ballots, and supplies after the close of the election.

Section 11. Maintenance of order at the polls. It shall be the duty of the inspector of elections to enforce peace and good order in and about the polling place. He may call upon the sheriff, police, or other peace officers to assist him in preserving the peace, and may order the arrest of persons violating the provisions of the election laws and regulations, but such arrest shall not prevent such persons from voting if they are entitled to vote. It shall be the duty of the officer or authority having command of the police department of any municipality, or the sheriff of any county, to detail at least one officer to each precinct where the election commissioner requests such a detail. Such officer shall assist in preserving the peace and order at the polls, and place under arrest any person violating any provisions of the election laws or disturbing the peace.

Section 12. Procedure at the polls. When a voter appears at the polls to vote, he shall sign his name and write out his address on a voters' certificate, and present this to the officer in charge of the register. This officer shall ascertain whether the voter is duly registered, and if so, shall compare his signature with that contained in the registration record. If such officer is satisfied by comparison that the person applying to vote is the person who has registered under the same name, he shall approve the voter's certificate by initialing the same, and hand it back to the voter. He shall then make a suitable entry in the registration record, as may be prescribed by the state board of elections, to show that the voter has been permitted to vote at that election. The voter shall then present the voter's certificate to the officer in charge of the ballots and receive from him the official ballots which he is entitled to vote. If the ballots contain serially numbered stubs, these numbers shall be recorded on the voter's certificate at the time the ballots are handed to him. The voter's certificate shall be carefully preserved by being placed in a suitable device, and shall constitute the official poll list of the election. The voter upon receiving a ballot shall retire to a voting booth and mark it in private, fold it so that the markings cannot be observed, and return it to the officer in charge of ballots to be placed in the ballot box. If the ballot has a serially numbered stub, this stub shall be removed from the ballot before it is deposited in the ballot box.

If any person is unable to sign his name, and upon examination of his registration record it appear that he was unable to sign his name upon it, the officer in charge of the register shall write his name and address upon a voter's certificate for him, and require him to make his mark, but no person shall be permitted to vote until the officer in charge of the register shall have questioned him and satisfied himself that the person applying to vote is the same and identical person registered under the same name.

Section 13. Assistance to voters. No person shall be permitted to have assistance in voting unless he state under oath to the precinct inspector, or in his absence, to one of the other officers, that he is physically unable to mark his ballot. A suitable notation shall be entered upon the voter's certificate of any voter receiving assistance, together with the name of the officer or member of the voter's household who gave the assistance. The person giving the assistance shall accompany the voter to a booth, and read aloud to him the names of the candidates for each office and mark the ballot according to the oral instructions of the voter.

Section 14. Challenges. Any election officer or watcher present at the polls shall have the right to challenge any person who applies to vote. The person making the challenge shall state a definite ground upon which the challenge is made, and support it with a brief statement. The precinct inspector shall make a memorandum of the challenge upon a form prescribed by the state board of elections, and shall require the person making the challenge to sign the same. The precinct inspector shall then place the challenged voter under oath and question him concerning his qualifications for voting. Before being permitted to vote, the person who has been challenged shall be required to sign an affidavit covering the qualifications for voting. A voter who is unable to sign his name shall be permitted to make his mark. He shall not be permitted to vote if, according to his answers, he is not qualified, or if he refuses to answer any pertinent question concerning his qualifications. A record of each challenge shall be made in writing by the precinct inspector, upon forms prescribed by the state board of elections, showing the name of the voter, his address, the grounds of the challenge, the person making the challenge, and the decision in the case. These records shall be preserved and turned in to the election commissioner. The state board of elections shall prepare detailed instructions for the precinct officers covering various types of challenges which may be made. The election commissioner shall have the power to challenge any voter by marking or stamping the registration record to indicate that the voter shall be challenged. No voter whose registration record is so challenged shall be permitted to vote until after he has been placed under oath and carefully questioned concerning all of the necessary qualifications for voting, and required to sign the affidavit for challenged voters. If upon such challenge, the voter is found to be qualified, the precinct inspector shall mark upon the registration record that the challenge has been removed, with the date, and sign his name.

Section 15. Watchers. Any civic organization or committee of citizens interested in the outcome of an election, and in partisan elections, any political party which has candidates running for public office, shall, upon petitioning the election office ten days prior to an election, be entitled to have two watchers at any and all polling places within the city or county. Suitable credentials shall be issued to such watchers. All political watchers shall be permitted to remain at the polls during the conduct of the election and the count, to make challenges, and to raise any pertinent questions about the validity of ballots, or violations of the election laws and regulations. They should be permitted to compare the signatures of voters, and to scrutinize the ballots as they are being counted, but shall not be permitted to handle the ballots or election records. In case any watcher attempts to obstruct the conduct of the election, or to intimidate voters, engage in campaigning, or otherwise violate any provisions of the election laws or regulations he shall be warned, and if he continue, he shall be required to leave the polls.

Section 16. The count. The state board of elections shall prescribe the method by which the count shall be conducted, issue detailed written instructions to the precinct officers, and prescribe the necessary tally and returns sheets which shall be used. The count may be conducted either in the precinct or at a central place for a city or county, as may be prescribed by the state board of elections.

Section 17. Voting machines. Any city or county, by action of its legislative body, may adopt voting machines. One or more machines, as may be needed, may be used in any precinct. The precinct election officers shall consist of an inspector and one or more clerks. Voting machines may be used experimentally in all or part of a city or county prior to adoption, and such use shall be legal. No machine shall be used until it has been approved by the state board of election commissioners. No machine shall be approved until it has been examined and approved by competent mechanics as to its reliability, construction, accuracy, and adaptability to meet the election requirements of the state. No machine shall be approved unless it preserve the secrecy of the ballot, unless prior to the act of recording his vote it permit the voter to correct any mistakes which he may have made, unless it permit the voter to vote for all the candidates for whom he is entitled to vote, and unless it may be used in a primary election in such a manner as to restrict the voter to one party. Any machine which may be used shall be suitably protected against tampering and frauds by seals or locks. The state board of elections shall provide by rules and regulations the detailed manner in which voting machines may be used.

Section 18. Absent voting. Any person who is absent or who expects to be absent on the day of the election from the county in which he resides, or who is physically unable to attend the polls because of illness or infirmity, may cast an absent voter's ballot under the following regulations.

(a) He shall be permitted to vote by appearing in person at the office of the election commissioner after the ballots have been printed, up until and including Saturday prior to the day of the election. Upon such application he shall make an affidavit of the fact that he expects to be absent from the county on the day of the election, and upon receiving a ballot for his precinct, shall mark the same in a suitable voting booth. He shall fold the ballot, and in the presence of the election commissioner or an employee of the office, place it in an envelope, together with his affidavit, and seal it. This envelope shall be preserved and turned over to the precinct election officers.

(b) He may make a written application to the election office for an absent voter's ballot, stating that he expects to be absent from the county, or that he will be unable to attend the polls because of illness or infirmity. If the application is received by the election office three days prior to the election, the office shall compare the signature of the voter with that contained on the registration record, and if it appears that the two are the same, shall forward the official ballot or ballots to the voter, together with the necessary forms, instructions, and envelopes. The voter shall appear before an officer authorized to administer oaths and make affidavit of his qualifications to vote and the fact of his absence, illness or infirmity, upon a form prescribed by the state board of elections, and, in the presence of such officer, but in such way that the secrecy of the ballot is preserved, mark the ballot, place it in an envelope, and seal it. The envelope, addressed to the election office, shall then be mailed by the voter. The election commissioner shall turn over to the precinct inspector all absent voters' ballots received up to and including the Saturday prior to the day of the election, and in cities of 10,000 population and over, shall send such additional ballots as may be received up until noon of the day of election by special messenger to the polling places. The precinct election officers shall publicly announce the names of absent voters before opening the envelopes, and permit challenges to be made. If the vote of any absent voter is challenged, a record shall be made of it and attached to the envelope, which shall be returned unopened to the election commissioner, who shall have the challenge investigated and accept or reject the vote, adding it to the precinct returns if it is accepted. If the vote of an absent voter is not challenged, the precinct election officers shall open the envelope, compare the signature on the affidavit with that on the registration record, prepare a voter's certificate for such absent elector and make a note thereon to indicate that the voter cast an absent voter's ballot, and place the ballot in the ballot box. If the signature of the absent voter on the affidavit does not appear to be the same as that on the registration record, the vote shall be rejected and returned to the election commissioner with a memorandum of the case. No person who is unable to sign his name shall be permitted to vote by absent voter's ballot.

Section 19. Canvassing the results. The election commissioner shall make an official canvass of the election returns as soon as practicable after the close of the election, and publicly announce the results. He shall issue certificates of election to all persons duly elected, or transmit a certificate of the result of the election to the proper officers entrusted with making the canvass.

Section 20. Recounts. Any candidate or group of candidates may within 10 days after the official results are announced petition to have one or more precincts recounted, and any citizen may within the same time petition to have the vote on a referendum proposition in one or more precincts recounted. Such petitioners shall be required to deposit a fee of five dollars for each precinct petitioned to be recounted, and shall be permitted to amend their petition from time to time, while the recount is in progress. While the recount is in progress other candidates for the same office shall also be permitted to petition for a recount of certain precincts and to amend their petitions. The election commissioner shall, upon the presentation of such petition with the required deposit, fix a time within twenty-four hours when the recount will be started, and deputize teams of four persons to conduct the recount, which shall be made under rules and regulations prescribed by the state board of elections. Each candidate or group of candidates affected by the recount shall be permitted to have two watchers present at the recount, who shall be permitted to scrutinize the ballots and to raise objections as to their validity. All disputed ballots shall be laid aside and passed upon by the election commissioner. If the cost of the recount is less than five dollars per precinct, the remaining amount shall be refunded to the person or persons petitioning the recount. If the result of the election is changed, the entire amount deposited by the contestant shall be refunded. If upon the recount of any precinct, the vote received by any candidate recounted, or the vote for or against any referendum question recounted, be five per cent greater or five per cent less than the original return for such candidate or upon such referendum question, the deposit for such precinct shall be refunded to the petitioner.

After the expiration of the time to petition the election commissioner for a recount, any candidate may apply to a court of proper jurisdiction to secure a recount, or to have the election set aside.

Section 21. Presidential electors. In presidential elections each political party nominating candidates for president and vice president of the United States and electors of president and vice president shall file with the state board of elections a list of candidates nominated for such positions, the number of candidates nominated for electors of president and vice president not exceeding the number which the state shall be entitled to elect. The state board of elections shall direct that the ballots throughout the state shall be printed with the names of the candidates for the office of president and vice president of the several political parties, without the names of the candidates for presidential electors, and the votes cast for such candidates shall be counted for the candidates for electors of president and vice president of such party, whose names have been filed with the state board of elections.

Section 22. Misconduct of election officers. Any election officer who willfully refuses to accord to any duly accredited watcher or to any voter or candidate any right given him by state law, or by the rules, regulations or instructions of the state board of election commissioners, or who willfully violates any provision of the election law or such rules, regulations, or instructions, or who willfully neglects or refuses to perform any duty imposed upon him by such law or such rules, regulations, or instructions, or who is guilty of any fraud in the execution of the duties of his office, or who connives in any electoral frauds, or knowingly permits such fraud to be practiced, is guilty of a felony, punishable by imprisonment for not more than three years, or by a fine of not more than three thousand dollars, or both.

Section 23. Violation of election law or rules, regulations, or instructions of the state board of elections by public officer or employee. A public officer who omits, refuses or neglects to perform any act required of him by the election law, or by the rules, regulations or instructions of the state board of election commissioners, or a public officer or employee who refuses to permit the doing of an act authorized by such law, rules, regulations or instructions, or who willfully hinders or delays or attempts to hinder or delay the performance of such act, is, if not otherwise provided by law, punishable by imprisonment for not more than three years, or by a fine of not more than three thousand dollars, or both.[1]

Section 24. Election officers to forfeit salary for neglect of duty. Any election officer or board of election officers who shall, individually or collectively, neglect to perform any duty imposed upon them by any provision of the state election laws, or of the rules, regulations or instructions of the state board of elections, or who shall disregard or violate any such provision, shall forfeit any salary or other compensation which may be due to them as election officers. The election commissioner shall investigate the work of precinct election officers, and following each election shall cause an examination to be made of the records returned to his office to ascertain whether the election laws, rules, regulations and instructions have been complied with. No payment shall be made until after the completion of such examination and investigation. If it appear to the satisfaction of the election commissioner that any election officer or any precinct board is guilty of violating the provisions of this section, he shall refuse to authorize the payment of such officers, and notify them in writing. Any election officer whose salary is forfeited under the provisions of this section may appeal to a court of proper jurisdiction. Such forfeiture, however, shall not operate to exempt such officers from criminal prosecution under the penal provisions of the state law.

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[1] Sections 22 and 23 are copied almost *verbatim* from Chapter 41, Sections 753 and 763, respectively, of the *Consolidated Laws of New York.*

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THE LEAGUE'S BUSINESS

RESERVE THESE DATES ON YOUR CALENDAR

The National Conference on Government will be held this year November 10–12 at the Hotel Statler, Cleveland, Ohio. The following organizations will participate:

National Municipal League
Governmental Research Association
National Association of Civic Secretaries
Proportional Representation League
American Legislators' Association
Ohio State Conference on City Planning
Ohio Municipal League

PROGRAM SUBJECTS

Among the significant subjects which will be discussed by outstanding authorities are the following:

The City's Part in Preventing Unemployment

A particularly timely subject to which municipal officials and researchers are going to have to give increasing attention. Among the interesting phases of this question which will be considered is the serious problem of adjusting a long-term budget program to industrial conditions. Shall the program be thrown out of the window every time a depression comes along? If not, what can be done about it?

The City Manager Plan Under the X–Ray

The manager plan has been growing steadily since its inception 22 years ago. What defects has experience shown up? Is the manager plan the last word in city government?

Revamping County Government

The toughest job in all governmental reform lies ahead—county government. There are numerous distinct problems here: how to meet the demands of metropolitan communities; how to meet the demands of rural communities. These and other questions will be discussed pro and con.

What Is Wrong With State Government?

States throughout the union are looking at their administrative organizations and are dissatisfied. Survey after survey is being made to discover the trouble and apply a remedy. Just what is the matter and what can be done about it?

These are only a sample of the acute and up-to-the-minute questions that will be discussed at Cleveland.

DON'T MISS THIS SIGNIFICANT MEETING—MARK YOUR CALENDAR NOW!

RUSSELL FORBES, *Secretary.*

NATIONAL MUNICIPAL REVIEW

VOL. XIX, NO. 10 OCTOBER, 1930 TOTAL NO. 172

EDITORIAL COMMENT

The September issue of the *American City* marked the twenty-first birthday of this well-known magazine. Under the able editorship of Harold S. Buttenheim, it has come to be a national authority on municipal administration, as well as a recognized champion of progressive and reform measures. The September number contains many articles reviewing the municipal history of the past twenty-one years in all its phases.

*

Readers of the NATIONAL MUNICIPAL REVIEW will do well to watch the British Institute of Public Administration, whose 1930 Conference, held at Oxford in July, is reported by Dr. Egger in his department in this issue on Municipal Activities Abroad. There is no organization in the United States which is the exact parallel of the British Institute. As explained by Mr. Woodruff in the August REVIEW, the Institute exists for the development of public service as a profession and for the study of public administration in all its relations. It is composed of members of the civil service and its interests and scope correspond more closely to the governmental research movement than to any other organized activity in this country. With us the science of administration is being developed largely outside officialdom; in England the reverse is true.

The United States was represented at the Oxford Conference in the persons of Professor John A. Fairlie, Mr. and Mrs. Louis Brownlow, Mr. Clinton Rogers Woodruff and Dr. Egger.

*

This is a Special Cleveland Number

Cleveland has always been conspicuous for the vitality and independence of its civic spirit. Its courage and ideals were exemplified by its willingness to be the first large city to introduce the manager plan; but her position in the front rank of American municipalities is no less evidenced by her accomplishments in public works and administration. It is fitting, therefore, that the National Municipal League should hold its 1930 meeting in Cleveland.

Delegates to the convention will find many things to interest them besides the program. This special Cleveland number is a partial catalog of subjects which League members and friends will desire to examine on the ground. Mayor Marshall extends a cordial invitation to visit the municipal departments while you are in town and assures that you will be courteously received.

The activities of the two civic organizations described in this issue are worthy of study. The Citizens' League of Cleveland, which heads the list of hosts to the convention, is by reason of its long existence and the results of its work, conspicuous among organizations of a type which are too often short lived and innocuous. The Cleveland Foundation blazed the trail for the community trust idea, which has since been applied in seventy-five cities.

Cleveland's "miles of respectability," as described by Mr. Morris, are a tribute to her early appreciation of the value of city planning and her belief that city homes need not be drab and depressing. Her terminal project is evidence of her courage, and her civic center, to be completed in 1936, the hundredth anniversary of her birth, is testimony to the pride of her citizens in their city. Her care for the finer things of life is revealed in her orchestra, her beautiful art museum, her educational institutions and her magnificent system of metropolitan parks. Mr. Gesell's discussion of the borrowing policies of the school board indicates its attention to sound methods of financial administration.

All this does not mean that Cleveland's government is beyond improvement or that her taxpayers are complacent. Every intelligent Clevelander knows that there are big problems still to be solved.

In view of the results of several attempts to abolish manager government, popular opinion seems to have accepted this form as the best for Cleveland; but no informed person would assert that she has yet sounded the full possibilities of the manager plan with proportional representation. In company with other large centers of population Cleveland is suffering from the lack of an adequate metropolitan government, but her present plans for constitutional county home rule (in which other parts of the state have joined) are in keeping with her past record for leadership and readiness to experiment.

It will be well worth while for you to attend the National Conference on Government, November 10 to 12, under the auspices of the National Municipal League and coöperating organizations. You will find that Cleveland has her full quota of citizens who are thinking about the administration of their city. You will be helped by meeting and talking with them.

⁂

Graft in New York City

Admitting that petty grafting was widely practiced by city employees, Mayor Walker asked coöperation in halting corruption and eliminating grafters from city service in a speech at City Hall on August 27 to 200 representatives of civic and mercantile interests who gathered there at his request.

He suggested that the organizations form a central committee to receive complaints, or that each association appoint its own committee for that purpose. He promised to investigate every complaint given to him directly or through such committees if it were supported by proof, and promised to drive all those guilty of grafting from the city's service. He did not advocate any specific methods, preferring to leave that to the convenience of the organizations.

Since there are more than a score of official investigations in progress, a number of which seriously involve the courts, Mayor Walker's confession can be accepted as accurate as far as it goes. For some reason, however, "Our Jimmy" has not been able to convince the city of the sincerity of his desire to run down the grafters. The Citizens' Union asserts that the Mayor's troubles come from subservience to the local machine, drunken with power. The Old Tammany is with us again.

Professor W. B. Munro, writing in the *New York Sunday Times*, believes that in spite of periodic disclosures of political corruption in all our big cities, municipal administration in this country is on a higher plane than ever before. With this we agree. The "Old Tammany" is undoubtedly giving New York better administration than some reform administrations in the past. This is due to improved technique in public administration, to civil service reform and, above all, to citizen demands for higher standards of government. Yet it is not evident that Tammany's stock in the local market has been seriously depressed by the show of corruption that has been displayed before the electorate. One reason may be that much of the reforming zeal has come from the state politicians of the opposite party, who are somewhat suspect by the people. No real citizens' movement, divorced from the official leaders of the opposing party, has as yet emerged.

*

Wholesale Condemnation Urged to Cure Slum Evil

Stewart Browne, president of the United Real Estate Owners' Association, and a famous watch dog of the municipal treasury of New York City, has little patience with current efforts to solve the slum difficulty in New York. The state board of housing and limited dividend companies have been a "dead failure." Excess condemnation in connection with street widenings is "picayunish" at best. (The legality and soundness of this device has been questioned in the REVIEW by no less an authority than Lawson Purdy.) Borough President Miller's plan to keep people on Manhattan by building apartments to rent for $21 per month per room, Mr. Browne correctly declares, does not face the issue at all.

Mr. Browne proposes a more severe remedy; one to which Europe is taking recourse. The police power, he says, is superior to rights of property. Legislation empowering the city or a state-created body to condemn houses on the East Side and to pay not more than 1930 assessed valuations for them should be enacted. Remove the tenants and demolish the buildings. Replat the territory with streets not less than eighty feet wide, and erect new fire-proof buildings with elevators and all improvements. Abolish the slums at one "fell swoop." "Chasing the Almighty Dollar is not the only thing in Life."

Mr. Browne concludes: "Let the rent question alone." But rents of some sort will have to be charged tenants. If they are to be sufficient to meet costs, even under condemnation of existing property, they will be outside the range of the present residents of the slum areas, and the new facilities will be occupied by much the same sort of people who would be interested in Mr. Miller's $21 apartments. Obviously the problem of housing the low wage earners would still be with us. What does Mr. Browne propose to do with them? Will his socialism carry him one step further to a governmental housing subsidy for the poor in the interests of the health, welfare and morals of the people?

The city may build new houses all over the East Side, but when it does so it will not be able "to let the rent question alone."

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Decile Ratings Applied to Cities in Minnesota

A comparative study of tax rates and assessed valuations in Minnesota municipalities, recently published in *Minnesota Municipalities*, is reported to be attracting much comment from officials and taxpayers of the cities concerned. The tables were worked out by Professor Morris B. Lambie with the coöperation of the staffs of the Municipal Reference Bureau and the General Extension Division of the University of Minnesota and of the League of Minnesota Municipalities.

The study is an interesting innovation. In a most significant table 726 municipalities of Minnesota are grouped in decile ratings with respect to tax rates, assessed property valuations per capita, exempt property per capita, debt per capita and ratio of various classes of property to total assessed valuations. Decile comparisons of electricity, water and telephone rates are also made, and the fire insurance rating is given for each city.

The interesting thing about the table of deciles is the effort to attain a more informative method of presenting comparative statistical material on taxes, assessments and debt than is possible by simple tabular rating. By running down the vertical column under any specific heading the reader is able to compare his city with any other in respect to any given factor (tax rates, debt, assessments, etc.) in which he is interested. Knowing the decile rating which his city has received, it is a simple matter for him to measure it by comparison with others.

The hints respecting conditions in his city which an interested taxpayer may secure from a careful study of the decile ratings are numerous. While the table does not explain deviations or pass judgments as to their propriety, it will stimulate questions which city officials will be called upon to answer.

Of course, as Professor Lambie points out, comparative statistics have their limitations; they are not to be accepted uncritically. But they can and do furnish useful clues which, when followed up, often reveal situations which before had remained concealed.

The preparation of the decile table involved much work, and its influence as a means of information and education of citizens and officials in Minnesota will be watched by students of municipal government everywhere.

The next step in the plans of Professor Lambie is the preparation of a standard or norm to which all cities in the state can be related. With this as a basis he and his colleagues will prepare a table showing the degree to which each individual city deviates from the standard. Whether a standard universally acceptable can be erected will be doubted by many, but no one will deny that the attempt to grade cities according to some standard will arouse widespread interest and discussion.

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In a recent address Governor Leslie of Indiana asserted that during the eight years in which the Indiana Tax Plan has been in operation the state tax commission has saved the people approximately $80,000,000 through reductions ordered in proposed local bond issues and tax levies. The intangible influence of the commission as a deterrent to municipal extravagance, the governor considers to be more valuable than its actual trimming of local expenses, and he estimates the savings from this source to be many times more than $80,000,000.

HEADLINES

Dallas, Texas, voters will go to the polls October 10 to pass on charter amendments which, if approved, will establish the city manager plan in Dallas.

* * *

Consolidation of a number of counties under one government is an idea that, politically impractical as it may be, persists in cropping out periodically as people search for a solution to the county problem. A committee recently has been appointed in Stokes county, N. C., for example, to draw up plans for merging with Forsyth county.

* * *

Arlington county, Va., will vote on the adoption of the county manager plan at the November election, if the recommendation of the committee on legislation of the Arlington County Civic Federation goes through.

* * *

It is again *Mister* Charles Bowles of Detroit in theory. The recall of the mayor of the Michigan metropolis who was ousted from office on July 22, by a majority of more than 30,000, was apparently made effective September 9 when Detroit voters again rejected him and elected Judge Frank Murphy to the office. At last reports, however, Bowles still occupied the executive chair, and threatened to take his case to the Supreme Court.

* * *

Likelihood of an extended court fight on general reduction in electric rates in Georgia looms when Georgia Power Company enjoins Public Service Commission from forcing hearing on cut.

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While Chicago is worrying about collection of taxes for 1928, Cincinnati is looking ahead to 1932. The tax rate for that year will probably be $21.50 as compared with $21.66 this year and $22.10 for 1931, City Finance Committee Chairman C. O. Rose announces.

* * *

If reports from two states mean anything, the per capita cost of state government continues to increase. The United States department of commerce reports a cost of $6.51 per capita for the state of Ohio for the year 1928 as compared with $6.29 in 1927 and $3.50 in 1918. The figures for Maryland are $11.46 for 1928, $11.37 for 1927 and $5.49 in 1918.

* * *

Bill providing home rule for Philadelphia will be presented at the next session of the legislature as a part of the movement for the city manager plan in the Quaker City.

* * *

More than thirty investigations of officials or city departments are in process in New York City. The "new Tammany" is the same old tiger, Gotham concludes.

The 10-cent fare that has been charged Chicago elevated riders for two years, is legalized by court decision.

* * *

Oakland, Cal., will vote November 4 on the manager plan.

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A bondholder's suit asks court control of the government of Sarasota, Fla., until delinquent claims are paid. This isn't the only city hall where receivers might logically be in charge!

* * *

Oregon voters will pass upon constitutional amendments in the November election, which would reorganize the state government into nine departments and establish a short ballot.

* * *

St. Louis will vote on nine amendments to the city charter in November, providing for changes in the condemnation procedure.

* * *

Success of the manager plan as applied to the prison system in Texas has led to serious discussion of the plan as a "way out" for the state government.

* * *

Payments for operation, maintenance, interest and outlays for permanent improvements for cities of more than 30,000 population were 79.8 per cent greater than similar payments for the 48 states, and only .8 per cent less than those for the federal government, United States department of commerce figures show. How the youngster's grown!

* * *

Alphabetical listing of the voters of the state of Arizona will be completed prior to the fall elections. Arizona is the first state to have attempted this job.

* * *

Five hotel companies, three publishers, one furniture store and a real estate dealer join hands with the city of Atlanta to force the director of the census to change the population of the city on his records. The petition for a writ of mandamus alleges about 90,000 persons within the corporate limits of Atlanta were overlooked.

* * *

Drinking by policemen, on or off duty, will not be tolerated in Flint, Mich., City Manager John N. Edy warns police executives.

* * *

Lexington, Ky., will have another chance at the manager plan at the November election. Lexington adopted the plan, but was forced to abandon it by a ruling of the Kentucky supreme court.

Howard P. Jones.

WHAT THE MANAGER PLAN HAS MEANT TO CLEVELAND

BY JOHN D. MARSHALL
Mayor of Cleveland

Despite efforts to abandon it the manager plan still stands. Cleveland has advanced under it. :: :: :: :: :: :: ::

THE City of Cleveland has operated under the manager plan since January 1, 1924. Our charter provides for a council of twenty-five members, elected from four districts by proportional representation. In the council is vested all the powers of the government formerly divided between the mayor and council under the federal plan. The council employs a city manager for an indefinite term, who may be suspended or discharged at any time, but he may require a written statement of the charges against him and an opportunity to be heard thereon if he is ousted from office any time after having served six months. Full administrative authority is lodged in the manager who controls the appointment of the entire personnel, subject to civil service regulations. The council elects the civil service commission.

The question which will most frequently occur is whether the manager plan has been a success in Cleveland. I, myself, believe that it has been very satisfactory, but the various elections which have been held in an effort to amend or change the plan have indicated that the public of Cleveland is very closely divided on that question. In fact, at the present time there is pending a petition calling for a new election to restore the mayor-ward-council system, and a citizens' committee has recommended many substantial changes in the present charter. The people, therefore, will have to vote on this question again at a very early date.

It is difficult to say whether these movements to change the charter result from the fact that only a ten per cent petition is required to submit an amendment, or because the form itself or certain features of the present charter are particularly objectionable, or because a change in administration is desired. There has been considerable opposition to the proportional representation system and a marked sentiment, particularly in the outlying sections, for the return of the ward plan of electing the council. A good many people also believe that they have lost a voice in the government if they do not directly vote for the chief executive of the city. The conflicting ambitions and interests of those who have thought they would benefit or lose by a change have been most important factors. No doubt, a combination of these and many other elements have influenced the individual voter in determining whether he would vote "yes" or "no" on pending amendments. Whatever the reasons may be, it is pretty clear that many voters want some kind of a change, but it is equally clear that a militant majority, however, believe in the manager plan and are convinced that it has been a step forward in the civic life of Cleveland.

MANAGER PLAN HAS SPELLED PROGRESS

Every fair-minded observer recognizes that during the period under which this plan has been in operation, Cleveland has made remarkable progress along the lines of municipal government and in the development of the community. I am confident that the keen students of municipal affairs who will honor us with their presence at the annual convention of the National Municipal League will see many evidences to indicate that the municipal government of Cleveland is functioning properly.

All of our employees will welcome the opportunity of showing to any of Cleveland's guests the many institutions which the city supports and of answering any questions about them or in connection with any phase of the city's activities. If this invitation is accepted, it will be possible for the visitor to compare our methods with those of other communities of like population and form his own judgment as to whether under the manager plan that particular function of government is being efficiently carried on. I trust that many of my readers will accept this invitation.

I have indicated that I believe the manager plan has been a marked success in Cleveland, and I want it understood that I am a supporter of this form of government. I believe, however, that it is a mistake to expect that the manager plan, as such, will accomplish miracles, for, after all, all plans must be operated by human beings. If the right kind of people fill the municipal offices and are supported by a healthy public sentiment, good government is bound to result. No form of government can succeed if it is not in good hands. While forms and methods, no doubt, contribute to or retard municipal progress to a certain degree, in my opinion the real progress is made as a community rises to its obligation by electing and supporting the most capable public officials. Cleveland has long been known as a leader in the field of municipal government and for the men and women who have contributed to its advancement, a position which I am satisfied it will continue to maintain.

CITY PLANNING IN CLEVELAND

BY CHARLOTTE RUMBOLD

Secretary, Committee on City Plan, The Cleveland Chamber of Commerce;
President, Ohio State Conference on City Planning

Cleveland, proud of her University Circle and Public Square, looks forward to the fulfillment of her ambitious plans for a Civic Center by 1936—her hundredth birthday. :: :: :: :: :: ::

Cleveland is a typical steel city. It is where it is and what it is because it is one of the places around the Great Lakes where iron ore and coal meet cheaply. It has the typical leaders in the steel industry, men who take advantage of every scientific fact in technique, whether engineering or finance. It has the typical steel workers, first, second and, lately, third generation immigrants from southeastern Europe. They are careful of public as well as private expenditures. And they vote.

The backbone of Cleveland industry is three huge steel mills. The thermometer of business is steel furnaces in blast. These furnaces in the valley are literally a cloud of smoke by day and a pillar of flame by night. When these mills make a million dollars' worth of steel, the shops and factories make it over into three million dollars' worth of wire, nails, bolts, nuts, screws, automobile parts, railway supplies, levers, lifts, hoists and cranes. Two hundred and eighteen out of the two hundred and sixty-two manufactures listed in the United States census are carried on in Cleveland.

These things are inevitably reflected in Cleveland's city and metropolitan plan.

HOW ZONING CAME ABOUT

Look at the zoning. In 1920 Ohio passed a permissive zoning law. This was due to the efforts of the Ohio State Conference on City Planning, organized by the Cleveland Chamber of Commerce, for the purpose of securing for the cities of the state, Cleveland of course included, state legislative basis for much needed municipal zoning legislation. Then a few months after the passage of the legislation, Cleveland Heights—just across the street from Cleveland—passed the first municipal zoning law in the state. In quick succession the dormitory villages and cities about Cleveland passed similar, sometimes identical, ordinances. Cleveland's city plan commission drew up Cleveland's zoning ordinance and made its zoning maps; the Chamber of Commerce lent its support. All in vain. In the years that followed, the cities and villages about Cleveland, following the best practice, adapted their ordinances and maps to the one that Cleveland was trying to put across, and when Cleveland, in 1929, by a popular vote of 60,000 to 40,000, did finally get its zoning ordinance, Cuyahoga County, or metropolitan Cleveland, found itself zoned by means of a dozen or more ordinances or maps which dove-tailed into each other, the central block of the whole district having been placed in the picture puzzle map last and locking it together.

But there are some curious things about this map. The area of Cleveland proper is 71 square miles. Of this land, there is devoted to:

	Per Cent
Streets, parks, cemeteries and schools..	27.7
Dwellings of all kinds..............	37.2
Retail and commercial business......	10.8
Industrial purposes and railroad yards and rights-of-way................	24.3

Since under the head of commercial business there are a good many light factories it is obvious that about 25 per cent, or one-fourth, of Cleveland land area is used for industry, and most of it rather heavy industry. On the other hand, look at the population of Cleveland and some of its satellite cities:

	1920	1930	Percentage of Increase
Cleveland........	796,841	900,430	13.0
Cleveland Heights.	15,236	50,123	229.0
Euclid...........	3,363	12,675	276.9
Garfield Heights..	2,550	15,575	510.8
Shaker Heights...	1,616	17,892	1007.2

Put into words, these tables mean that in the last ten years most of the Clevelanders who could afford to buy a home bought it outside of Cleveland, and that the zoning ordinance for Cleveland was finally voted up by tenants and not by property owners.

THE THOROUGHFARE PLAN

Look at the thoroughfare plans. Cleveland had a thoroughfare plan and a set-back ordinance long before it had the zoning plan. It likewise has not only a county thoroughfare plan, but an inter-county thoroughfare plan which extends through the six counties adjoining Cuyahoga County, in which Cleveland is situated. This is another unified plan which, like zoning, is adopted not only by one governmental agency but by many.

Look at the parks. Cleveland has, of course, a park system, dating from that long-ago time when people went into parks and sat down in them. There is, however, a Cleveland Metropolitan Park System which not only extends through the whole surrounding county, but through two other counties (by petition of those counties) and is supported by taxes from all of them.

THE CIVIC GROUP PLAN

Look at the Group Plan. Cleveland's Group Plan was started in 1900 by men who seized the opportunity created by the need of a new county court building, the promise of a new post office, and the imminent need of a new city hall, to enlist public support for a group of public buildings in emulation of similar groups in European countries. They did their work well. They had a hope of making their city as beautiful a place in which to live as it was profitable in which to work. They chose the outstanding architects of the time to make the plan. Daniel Burnham and his associates made a plan of wide vision and beautiful proportion. It caught the imagination of the whole citizenry and the enthusiasm has lasted. In all the thirty years following, only one proposal has failed of popular approval at the polls. In the thirty years the citizens of Cleveland have spent from their own tax money about $38,000,000 upon the Group Plan. For a city which has not yet reached a million in population, this is every bit of what they should spend on one city enterprise when hospitals, health and sanitation, police and fire, and all the other activities in which a city must engage are taken into consideration.

UNIVERSITY CIRCLE

In the meantime, out Euclid Avenue, a distance of five miles at a 45° angle from the corner of the Public Square, there is an educational and cultural center built about the universities. This was started about eleven years ago by practically the same men who started the civic center. They optioned or purchased a great deal of the necessary acreage around the universities and the art museum for future buildings for cultural and educational institutions which they knew the city would be obliged to have, and they did it deliberately to establish such a cultural center because they knew of the success of the civic center. There are now fourteen such institutions established in the University Circle group, and there has been approximately the same amount of money spent on it as has been spent on the civic group. But this money has not come from public taxation money. The Art Museum, Historical Society, Natural History Museum, Medical Center, Orchestra Hall and, of course, the various churches and temples, as well as the different colleges, are all privately supported. They are the benefactions and philanthropies.

CLEVELAND TERMINAL

On the corner of the Public Square, diagonally across from the end of the group of public buildings, is the Cleveland Union Terminals group, the commercial and transportation center of the city. It is of a much shorter life than that of the other two, and of obviously much economic value. On it has already been spent approximately as much as on the other two centers together, and it is not completed.

In other words, the civic center, the group plan of public buildings—just because it is dependent upon taxation and must, therefore, run the various gauntlets of councilmanic action, vote of the people, and taxpayers' suits, and all the hazards of political partisanship and suspicion—lags behind the economic and the cultural centers. Nevertheless, it is hoped to finish the Group Plan by 1936, even though it requires, in all probability, another several millions to do it.

1936 is the one hundredth anniversary of Cleveland's centennial as a city with a charter, and Cleveland proposes to celebrate its birthday by giving itself a real gift—a completed GROUP PLAN.

THE CITIZENS' LEAGUE OF CLEVELAND

THIRTY-FOUR YEARS OF CONTINUOUS PUBLIC SERVICE

BY MALCOLM B. VILAS
President

Because of its long life and the independence and effectiveness of its work, the Citizens' League of Cleveland commands an enviable reputation throughout the whole United States. :: :: ::

As one of the oldest organizations of its kind with a continuous existence since 1896, the Citizens' League holds a unique position in the political life of Cleveland. Being supported financially by the dues of its voluntary membership, the League is neither under obligation nor does it owe allegiance to any political or financial group. This freedom and independence is essential to any organization which is to maintain an unbiased attitude toward the problems with which it must deal. The League has consistently maintained that independence for the entire period of its existence.

The underlying thought behind the Citizens' League can be summed up in the trenchant phrase "Eternal vigilance is the price of liberty." The League's representatives are in the political watch tower all the time alert for indications of mismanagement, waste and corruption. As the "watchman" of old, the League is usually the first to discover any irregularities in government. Then as the "fireman" puts out the fire so the League steps in to demand an end of the waste or corruption which it has revealed. Next as the "physician," the League attempts to prescribe a cure for the ailment in the form of constructive legislation or a change in officials as the case may require. And always, in the rôle of the "policeman," the League patrols its beat, representing the citizens, and furnishing a constant reminder to the public official who may be unworthy of his trust that someone is watching and he would better go straight.

THE BIRTH OF AN IDEA

Thirty-four years ago up in Harry A. Garfield's Cleveland law office, a half dozen young men sat around a table and decided that something had to be done to clean up Cleveland politics—and that they were the ones to do it. Those were the days when Robert E. McKisson was mayor—Czar Bernstein was boss of the old 16th ward—and free beer, free lunch and a free concert were essential to every well-conducted political campaign. Politics was in the air. The time seemed right for just such an effort as these young men proposed.

In December, 1896, a group of like-minded citizens was called together and the "Municipal Association" was formed. It was an association of citizens and taxpayers who believed that a watchful eye should be kept on public officials and the public treasury, that public work should be performed honestly and economically, and that experienced and capable men should be selected for office. Harry A. Garfield was made president of this citizens' organization, George T. McIntosh and

Martin A. Marks, vice-presidents, H. F. Lyman, treasurer, and Frederick C. Howe, temporary chairman of the executive committee. The new nonpartisan association was thus launched on its long service of promoting good government in Cleveland and Cuyahoga county.

The first annual report, which was signed by H. E. Bourne, secretary, indicates that the association got into immediate action. Recommendations were made on state and county candidates—committees were appointed to study street paving and cleaning, city and county administrative methods—and the year closed with a total expenditure of $2,015.71 and a cash balance of $43.29 in the treasury. In the year following, after a careful investigation, the county commissioners were charged with extravagance, carelessness and even chicanery.

THE TOM JOHNSON DECADE

In 1901 Tom L. Johnson appeared on the political horizon as mayor. Public attention for several years was fixed on this picturesque man and his vigorous and progressive program. Politics became rife in the board of education. The conditions in the county were growing worse. The Municipal Association was unable to arouse much nonpartisan interest in city or county affairs, while the public mind was interested in the mayor's doings.

With the passing of Tom Johnson in 1910 the Municipal Association entered into a new era of development. Mayo Fesler was induced to come to Cleveland from St. Louis to become secretary of a reorganized association, and its work was changed from the purely critical to both a critical and constructive organization. Issues and principles of government were given closer consideration. The promotion of the principles of the merit system—municipal budget making—the elimination of politics from the board of education—the short ballot—municipal home rule—economy in county offices—were the subjects engaging the attention of the association in the years that followed. Many of the reforms advocated have since been accomplished. Some of the evils of government condemned in those days are still among us and many new ones have developed, for good government will always be a struggle between the selfish partisan forces and the unselfish and enlightened citizens' interests. That is why good citizens must organize and keep organized.

In January, 1913, the name of Municipal Association was formally changed to the "Civic League." The objects and aims of the organization remained the same and the fundamental purposes of the original association were reaffirmed. In 1912 the Association had organized and led the campaign resulting in municipal home rule for Ohio cities. In 1913 the first home rule charter, promoted and supported by the League, was adopted for Cleveland. In the same year the League succeeded in securing the enactment of a law setting up a complete merit system in state, county and city offices. In 1915 the campaign was begun for a reform of the Ohio state taxation system, and in that same year the League also voiced a vigorous protest against unequal representation in the Ohio legislature.

BEGAN ADVOCACY OF MANAGER PLAN

The Cuyahoga county jury system was analyzed and criticized in 1916 and the city manager form of government for Cleveland was first advocated. In 1917 the campaign for a form of city and county consolidation which would secure greater efficiency and economy in local government was actively begun. Constant pressure was also being brought on public officials to improve the city's paving program and an inspection service was maintained by the League.

Finally in 1921 the city manager form of government was adopted as a protest against the bad administration of the war period. The new charter was to take effect in 1923. Meantime the friends of the new plan realized the necessity of a strong and vigorous citizens' body to see that the manager form was given a fair trial. The name of the organization was changed to the "Citizens' League," and Mayo Fesler, present directing head, was asked to return after having served as secretary of organizations in Brooklyn and Chicago for the preceding seven years.

The new Citizens' League again came to the forefront as a civic force in Cleveland and as a moulder of political opinion and the teacher of civic ideals. The few remaining members of the old Civic League were taken over into the new organization and a vigorous membership campaign was begun. The membership has shown a steady increase and is now approximately 5,000 with an annual budget of $40,000.

In the last session of the legislature, one of the League's greatest victories was finally won, after ten years of effort, in the passage of the new election code which embodies many of the recommendations made by the League. This same session followed another League recommendation and legalized the use of the photostatic process in the recorder's office, an economy measure. The session of 1926 eliminated the fee system in the coroner's office and compelled the sheriff to feed prisoners at cost—two more League measures.

INCREASINGLY INFLUENTIAL

The activities of the Citizens' League are a part of the civic life of Greater Cleveland, its influence is impressed on every civic advance, and the entire community looks to the League for the promotion of the best ideals in local government. Its recommendations on candidates and issues are being increasingly respected and weighed at the polls by the voters, as the findings of a citizen group which views civic affairs from an unbiased and nonpartisan standpoint. A board of thirty representative citizens determines the policies of the organization and passes final judgment on all reports and recommendations rendered in the name of the League. The board approves all investigations and recommendations before they are made and authorizes all actions of committees, of the director and his staff.

As government has become more and more specialized and as the population and activities of the community have increased, greater demands are being made upon the Citizens' League for information and guidance at the polls. Few citizens can keep themselves satisfactorily informed on all phases of local government, nor can they examine the merits of the hundred and more candidates presenting themselves for office. They can, however, associate themselves in a nonpartisan organization which will supply this information on local public matters. The Citizens' League of Cleveland is rendering an increasingly effective service as the researching, reporting, criticizing and constructing organization for that progressive group of citizens who want better government in city, county and state.

THE CLEVELAND FOUNDATION—THE FIRST COMMUNITY TRUST

BY LEYTON E. CARTER

Director, The Cleveland Foundation

The community trust idea, first applied in Cleveland, has been adopted in 75 cities. :: :: :: :: :: :: :: :: ::

THE use of wealth affords an acid test of wisdom. Difficult as it is to accumulate wealth it is often harder to use wealth wisely. Particularly is this true in the field of human welfare. Where one seeks to aid people instead of dealing with inanimate things the problem of spending money is beset with pitfalls indeed. A million dollars plus generosity is by no means an adequate equipment for the wealthy samaritan who goes forth to help his fellowmen. A plentiful supply of wisdom and patience are equally essential to success.

Since our country has begun to come of age increasing attention has been given to the problem of providing more effective utilization of wealth for charitable, educational, and scientific purposes. The examples of the great foundations—the product of individual fortunes—such as the Rockefeller, Carnegie and Russell Sage Foundations are very widely known and have acted as beacon lights pointing the way to the better use of wealth dedicated to humanitarian purposes.

But these did not wholly solve the problem. Not many people can individually start foundations with sufficient endowment to accomplish noteworthy results. Yet many people with means in this tremendously wealthy country have the sincere desire to dedicate all or a portion of their property to charitable or other humanitarian purposes and in a manner which will be effective. Out of these circumstances came the birth of the community trust plan in Cleveland sixteen years ago.

THE NEED FOR A COMMUNITY TRUST

The Cleveland Foundation—the pioneer community trust—was conceived by the late F. H. Goff in 1914. Mr. Goff, an outstanding civic leader, was then president of the Cleveland Trust Company. During his eventful career as lawyer, judge and banker he had opportunity to observe and study the uses to which wealth was put by many individuals interested in charitable, educational and humanitarian endeavor. His observation led to several convictions. First, that bequests and gifts for charitable and other humanitarian purposes were generally so restricted in character that the swift changes of the years very often made them obsolete, meaningless or positively harmful. Yet, because of established judicial interpretation, little or no change could be made in the specific uses to which a charitable trust was dedicated after the donor's death. This he called the grip of the "dead hand." Second, he saw the waste and ineffectiveness of isolated gifts and bequests—many of them relatively small in amount. Also, he saw the great need for the safeguarding of principal sums left for charitable purposes in order that income might not be jeopardized by inexperienced or incompetent management of such principal. Most vividly, perhaps, he saw the need for introducing the principle of flexibility in the use of wealth dedicated to charitable and other humanitarian purposes. A swiftly changing, dynamic civilization demanded the adoption of such a principle he thought.

HOW THE FOUNDATION SERVES THE DONOR

Out of these observations and mature convictions came the Cleveland Foundation established by resolution of the board of directors of the Cleveland Trust Company January 2, 1914. Through the Foundation, any individual can dedicate wealth by gift or bequest for charitable and educational purposes for the benefit of the inhabitants of Cleveland. This can be done in a broad, unrestricted manner.

Or the donor can, if he wishes, designate the specific objects of a charitable or educational nature which shall be the purposes of his gift or bequest. And he can be assured that his special or particular wishes will be honored and observed as long as there is reason to believe that the welfare of the inhabitants of this community will be served by so doing.

Also he may be assured that if the day comes when the further carrying out of his particular wishes is clearly unnecessary, unwise or impossible, then other uses of a charitable or educational character will be selected which are pertinent and appropriate to that day and generation.

Through the Foundation a donor can be assured that the principal sums which he gives will be in the hands of those particularly qualified by law and expert knowledge to conserve, manage and invest wealth.

ADMINISTRATION

The Foundation functions through a distribution committee and a trustee. The distribution committee is charged with the distribution of income available to the Foundation for its charitable and educational purposes and in accordance with the wishes and preferences of donors where such are made.

The official trustee of the Foundation is the Cleveland Trust Company. At regular intervals the trustee pays to the committee all income available for distribution.

The distribution committee is composed of five members who serve without compensation. They must be of local residence and possess "a knowledge of the civic, educational, physical and moral needs of the community."

One is chosen by the mayor or chief executive officer of the city of Cleveland; one by the senior or presiding judge of the Probate Court of Cuyahoga County; one by the senior or presiding judge of the United States District Court for the Northern District of Ohio, two by the directors of the Cleveland Trust Company.

The term of office is five years. The terms are overlapping, one member's term expiring each year. The Foundation is therefore essentially under public control and is a public enterprise.

EARLY YEARS

During its earlier years, before it had accumulated any considerable endowment, the Foundation conducted several important surveys. Outstanding among these were the Survey of Criminal Justice in Cleveland and the Education Survey. The first was under the direction of Dean Roscoe Pound and Professor Felix Frankfurter of the Harvard University Law School and the second under Dr. Leonard P.

Ayres, then director of education for the Russell Sage Foundation. Both of these surveys have become nationally known. They have produced notable results in Cleveland and have prompted the undertaking of similar surveys in various other cities. Other Foundation surveys included one covering public and private recreation facilities in Cleveland, another, relief agencies and the last one undertaken, that of higher education in Cleveland. All of the surveys have had substantial results which are continuing in their benefits to the community.

Since 1925, when the survey of higher education was completed, no surveys have been made. It is possible, however, that circumstances may prompt undertaking further survey work in future. At present, the Foundation, with a growing endowment, is engaged in administering the income therefrom and in making its purposes and work more widely known in the community.

ACTIVE ENDOWMENT NOW $3,000,000

During the sixteen years it has been in operation a gratifying number of individuals have made bequests for the uses and purposes of the Foundation. These vary in amounts of $1,000 to several millions. By no means all of these gifts are yet effective, but will be at some future time. The active endowment of the Foundation is now nearly $3,000,000.

The present endowment represents the gifts of fifteen donors. This illustrates a prime advantage of the community trust plan—that of accumulating a constantly growing number of gifts, including many of modest amounts, in one place and all dedicated to common purposes. In this way worth while results can be attained whereas isolated gifts often fail to accomplish much.

HELPS COMMUNITY ENTERPRISES

At present the Foundation is giving financial aid to various interesting and noteworthy projects—the building of a graduate school at Western Reserve University, the administration of three scholarship funds aggregating $15,000 annually, the support of a unique camp for the care of diabetic children, a research study of the causes of behavior problems in boys, assistance to a hospital for crippled children, the making of a study of child welfare needs in Cleveland, the periodic publication of a Cleveland Year Book and Directory of Social and Civic agencies, as well as making recurring appropriations to several well-conducted private charitable organizations designated by donors.

The Foundation is not primarily interested in helping to carry on charitable work now financed by Cleveland's excellent Community Fund. Rather it is interested in new projects and experiments, research undertakings and carefully conceived efforts to grapple with the causes of some human ills and maladjustments as distinguished from their end results.

Appointments to the distribution committee have been meritorious without exception. Different shades of opinion and philosophy have been represented which is desirable, but disinterestedness and devotion to the purposes of the Foundation have remarked the work of all committee members who have served during the past sixteen years. The custom of good appointments is well established.

The community trust idea has had a remarkable acceptance throughout the country. There are already 75 community trusts in various cities throughout the United States and Canada. Over 200 trust companies are participating as trustees. The aggregate endowment totals $32,000,000. Upwards of a million dollars a year is now distributed by these Foundations, most of which are not over ten years old.

The Cleveland Foundation stands fourth in size among the ten leading community trusts.

The Community Trust plan is an American contribution to the technique of giving.

CLEVELAND'S MILES OF RESPECTABILITY

BY WARREN L. MORRIS
Cleveland, Ohio

Cleveland is famous for the high character of its residential areas. Single-family homes dominate. Real estate developers have shown courage and judgment. :: :: :: :: :: :: ::

Richardson Wright, editor of *House and Garden*, on a visit to Cleveland last spring while being driven through the major residential sections, is reported to have remarked: "I do not see how there can be that many respectable people." If mile after mile of rather spacious city home grounds, set with residences of a "well to do" appearance, with a better than average architecture the rule rather than the exception, bespeaks respectability, Mr. Wright detected a fundamental characteristic of Cleveland residential development.

Row houses and so-called semi-detached houses, so common in most of America's larger cities, have never interested Clevelanders and consequently only few have been built in Cleveland. While I know of no statistics on the subject—it is an obvious fact that Cleveland homes average more yard area per home than other large cities, and Cleveland's residential area has always been larger in proportion to population than normal. The deviation from the single dwelling is now almost exclusively the multi-family apartment building. While there was a period when two and four family buildings were a somewhat popular type of housing, in the past ten years they have steadily declined in production until building-permit figures now show them to be relatively nil.

The City of Cleveland delayed many years in enacting zoning legislation although most of her immediate suburbs have had zoning ordinances for from five to ten years. Obviously a discussion of residential real estate development in Cleveland must necessarily deal primarily with her immediate suburbs. For the past two decades the overwhelming majority of Greater Cleveland's residential construction of the better class has been in her adjoining suburbs. It is interesting to note, however, that even before zoning, practically all of Greater Cleveland's newer residential areas were controlled by deed restrictions running with the land. These deed restrictions have been notably strict and conducive to good development. Furthermore, they have been an evolution of the very thought of the citizens as expressed in the community's early development—what Mr. Wright either interpreted as, or confused with "respectability." This very general application of a more strict and more thoroughly thought-out deed restriction has been conducive to a better tone to the whole residential development, and has more accurately expressed the thought and desire of the home-owning citizenry than can any artificially conceived zoning ordinance of blanket application.

THE LAKE FRONT LITTLE USED FOR RESIDENTIAL DEVELOPMENT

Cleveland—a lake city—has never developed her lake front residentially in a major way.

The really extensive residential development has been "Heightsward"—the uplands lying south and southeast away from the water front. Whether this is a result of familiarity breeding contempt, or follows the influence of an important development well conceived and designed to appeal to the desire of the "well to do" for new homes, may be debatable, but both probably played their part. On the Waterfront East there remains the Village of Bratenahl, bordered entirely on three sides by the corporate lines of the City of Cleveland—a community stretching along Lake Erie and occupied almost entirely by magnificent homes and estates of the wealthy. In the heart of the community and around which the community built, is the Country Club—the first golf club established in Cleveland. This year it has closed its doors and moved into a pretentious new club house away from the water to a location far in advance of the forward march of the Heights. Bratenahl cannot and will not expand its high character beyond its present rather limited confines.

The lake front has been utilized more extensively in the western part of Greater Cleveland. Lakewood—Cleveland's adjacent suburb to the west—a city of 70,461 people, has utilized its shore property, which today is largely occupied from Edgewater Park to Rocky River and beyond with very creditable and substantial homes of the more expensive type. Nevertheless, lakefront home sites in Lakewood have for years experienced an inactive market.

THE DRIFT HAS BEEN TO THE HEIGHTS

The great movement for the better-class home has been southeasterly on the Heights. The Heights movement was initiated just prior to 1900 when the Euclid Heights Realty Company acquired and subdivided several hundred acres on the uplands overlooking the buildings and campus of Western Reserve University and Case School of Applied Science. This pioneering Heights development company did a splendid job of street layout and platting. They promoted Cleveland's second country, or golf, club—the Euclid Club. It was made to appeal to Cleveland's wealthier families. The late Myron T. Herrick, Ambassador to France, was among the first to erect a new home for his family there. He was accompanied by prominent members of the Bar, industrial leaders and leading merchants. It became the vogue to "live on the Heights." The fact that the Euclid Heights Realty Company ultimately fell into financial difficulties and failure does not detract from the credit due to the president of that company, Mr. Patrick Calhoun, for having initiated and inspired the Heights movement.

Even the fact that ultimately wholesale foreclosure sales were accompanied by a partial setting aside of deed restrictions so as to permit certain sections to become available for apartment house development did not and has not obliterated the present-day evidences of excellent street layout and subdivision platting.

This initial development of the Euclid Heights Realty Company was followed naturally by other developers—more or less limited in scope, most of them of less able planning, some of genuine merit.

The Heights movement was on and residential building speeded apace. The most creditable and one of the finest of the successive developments was that of the Shaker Heights Improvement Company, with an excellent layout and architecturally meritorious building development. Today this particular section has lost none of its fine character and standing.

In between the Shaker Heights Improvement Company and the southerly limits of the original operations of the Euclid Heights Realty Company lay some 150 acres of land comprising the golf course of the Euclid Club and surrounding forest lands owned by John D. Rockefeller. In 1913 this was acquired by the B. R. Deming Company, platted, improved and placed upon the market. The company's operations marked a distinct forward step in character of deed restrictions and they pioneered in the practice of exercising the deed reservation of approval of plans before building. Architectural talent of the highest order was enlisted in coöperation. The result was the nationally known Euclid Golf Neighborhood with a theretofore unattained scale of domestic architectural merit.

These two developments—the Shaker Heights Improvement Company and the Euclid Golf Neighborhood—comprised the full length of Fairmount Boulevard and the pioneering attitude of careful control over character of building improvement gave the community the beauty of Fairmount Boulevard and its tributary streets, together with substantial enhancement in land values.

THE SHAKER HEIGHTS DEVELOPMENT OF THE VAN SWERINGENS

While the Euclid Heights Realty Company was getting under way, broad acres to the south were occupied by the farms and homes of the Shakers, who were then beginning to give up their lands in the face of the outward growth of the city. Along about 1905 O. P. and M. J. Van Sweringen began acquiring lands in this Shaker farms area. They lacked one all important element which the other sections of the Heights district had succeeded in acquiring—transportation. Their lands were isolated and the automobile was not yet a common possession of the average family. With the aggressiveness and progressiveness that has made them nationally known figures in more recent years, they set about to remedy the lack. Kingsbury Run, a valley mostly in disuse, suggested a natural transportation route approaching the downtown area. They proceeded to build a rapid transit line down this gully and contracted with the Cleveland Railway Company to operate it and give their lands transportation. Public knowledge that, as a transportation line, it has consistently operated at a loss may or may not be of interest.

The Shaker Heights development was slow in getting started but it persisted. It at least presented one of the most logical avenues of onward expansion as the earlier Heights developments built up. The Van Sweringen Company continually bought, and over a period of time thousands instead of hundreds of acres were acquired. The operations were extended for miles. Their deed restriction control, at first more loosely conceived and applied than the Euclid Golf restriction, for example, evolved into a recognized pattern for closely held control over housing construction and style. Today Shaker Heights is one of the outstanding extensive fine residential developments of America. It is no longer sufficient to say "I live on the Heights"; it is more the vogue to add "on Shaker Heights."

The territory has succeeded in pulling in four of the most fashionable golf courses of Cleveland. It has the three best known elementary and preparatory private schools. It has the most pretentious public school buildings for a system with a high standing recognized in educational circles. It probably has fewer gasoline service stations than any equally populated area in this part of the country. Here was undoubtedly observed the miles of "respectability."

THE ROCKEFELLER HOMES PROJECT

That traces part, but a major part, of Cleveland residential real estate development to date. The country living movement is, of course, under way. Detached suburban developments have been started on the strength of hoped-for commuter train service. John D. Rockefeller, Jr., has under way his residential contribution to Cleveland, the most ambitious better type of home project in this part of the country. Over three hundred acres of land being built on with solid streets of single homes, built for the market—a development that has already encountered the obstacles to be solved of preconceived zoning regulations and building code requirements that conflict with new and sound ideas of home construction. Its progress will be of immense interest to students of residential development.

With all major residential developments—whether of modest or gigantic scope, there lies two elements of common practicality—transportation and street improvements—sewer, water and paving. Transportation has time after time been proven an essential element of residential growth. In face of the inroads upon rail passenger travel by the privately-owned motor car—it still remains a necessity.

THE PROBLEM OF TRANSPORTATION

Distance does place a limitation upon the use of the private motor car mode of travel when applied to transportation between home and business in this day of stress of the average business man's and wage earner's occupation. Transportation cannot economically precede residential development on a self-supporting basis. It is less able to do so today than formerly. Cleveland transportation facilities have been in tune with the type, character, and scope of its residential development. There are evidences of its getting out of mesh with the gears of its residential situation—particularly as applied to the more thickly populated and older areas. The Van Sweringens, through their Metropolitan Utilities Inc., hold voting control of the Cleveland Railway Company stock. They have extensive plans for furnishing rapid transit service to the outlying suburban areas both east and west. What the provisions will be for the close-in and more densely populated areas is not yet known.

WHO SHOULD PAY FOR STREET IMPROVEMENTS?

Of paramount interest to observers of municipal affairs is the other practical elements of residential development —street improvements. The relative advantages and disadvantages of improvements financed and installed privately by the subdivider or financed and installed by the municipality and assessed against the benefited frontage constitutes an important item for consideration. While the platting of record of an excessive surplus of residential sublots is an evil, it in itself is minor to excessive improvement with sewer, water and paving of those surplus lots. If privately installed, the community need not concern itself—error of judgment will bring its own reward to the private interest. If publicly financed and installed it is a serious thing to the community. Practically all of Shaker Heights streets have been publicly improved. The financial resourcefulness of the developers has perhaps had considerable bearing on the avoidance of untoward results to the municipality. Certainly the comparative rapidity of population growth in Shaker Heights has thus far justified the practice. In other Cleveland residential suburbs the excessive installation of street improvement in advance of normal consumption of sublots by home builders has had disastrous effects upon the municipality's financial standing and the stability of land values.

The economics of urban land is of vital importance to municipality and realtor alike. The degree to which development gets out of balance with sound economics, measures the degree of the grief to follow.

There are utilitarian and practical sides to a large city's residential development, and there are the decorative, the artistic and "respectability" sides. Some of Greater Cleveland's residential communities are confronted with unsolved problems in the former category. In the latter, Cleveland has an unusual abundance of splendid attainment.

COUNTY REFORM AND METROPOLITAN GOVERNMENT

BY WILLIAM A. GREENLUND

Chairman, Fact Finding Committee of the Regional Government Committee of 400

Reform of Cleveland's Metropolitan Government now linked with proposals to remodel county government throughout the state by home rule grant to all counties. :: :: :: :: :: :: ::

THE July, 1929, issue of the REVIEW gave an account of the progress toward metropolitan government in Cleveland and Cuyahoga County. This article traced the course of the Regional Government Committee's work in endeavoring to secure the submission of a constitutional amendment to the electorate of the state which would permit the adoption of metropolitan or regional governments for the large urban counties of the state. As related there, the amendment failed of passage by the legislature for submission to the electorate:

This failure, however, in no sense means the end of efforts toward some form of regional government for Cuyahoga County. In fact, a new plan of campaign upon a broader basis is now under way.

In May of this year at the request of the Akron Chamber of Commerce, the Ohio Chamber of Commerce (a statewide organization) issued a call to all chambers in the state and various other organizations. The purpose of this conference was to test the sentiment throughout the state for the remodeling of county government and the consideration of the special needs of the large urban counties, notably Cuyahoga County. Upwards of one hundred delegates attended from various parts of the state. Other organizations were invited including the farm organizations which were generously represented. In fact the conference was under the chairmanship of Mr. Walter F. Kirk, master, Ohio State Grange.

GREATER FREEDOM FOR COUNTIES

The conference developed into a spirited discussion of the need for amending the constitution to make possible the modernizing of county government and of the problems of urban counties, principally Cuyahoga County. The most surprising and welcome aspect of the discussion was the complete unanimity of opinion that the time had come when a determined effort should be made to remove the constitutional shackles preventing either the legislature or the people themselves from tackling the problem of our antiquated form of county government. It was recognized also that Cuyahoga County, containing upwards of one-fifth of the population of the state, has governmental problems which are in large measure peculiar to itself. It was the concensus of opinion that Cuyahoga County, if it desires, should be given an opportunity to work out its governmental destiny in a way which is appropriate to the metropolitan conditions which exist in this area.

The upshot of the conference was, first, that it was the sentiment of the group assembled that the Ohio Chamber of Commerce should sponsor an effort to secure the submission of a constitutional amendment to the electorate of the state repealing the present provisions of the constitution relating to county government and, second, that this amendment (or a separate amendment) should contain provisions dealing with the special problems of Cuyahoga County. A drafting committee of sixteen was chosen to formulate a proposed amendment with instructions that the committee report back to the conference at an early date.

The drafting committee has been proceeding with its work during the summer. Several tentative drafts of an amendment have been prepared and revised and it seems certain that a carefully considered draft will be completed and plans made for its introduction into the general assembly when it meets in January next.

The Regional Government Committee of Cuyahoga County, the citizens' group appointed in 1927, is coöperating with the conference called by the Ohio Chamber of Commerce and the drafting committee which has been at work. The coöperation of the citizens' committee is being effected through its research committee. The members of this committee, under the chairmanship of Leyton E. Carter, are working with the drafting committee to determine the exact phraseology of the proposed amendment.

WHAT THE AMENDMENT WILL PROVIDE

While it is too early to give information upon the exact form and content of the amendment it is assumed that it will provide, first, for the repeal of the existing sections of the constitution relating to county government and, second, leave the way open for the legislature to deal with the whole problem of county government and also perhaps make possible the drafting of alternate forms of county government which could be selected by vote of county electorates and, third, provide for the special needs of Cuyahoga County as the chief metropolitan county in the state.

It has been the matured conviction of the regional government group that the prime requirement in the setting up of some regional or metropolitan form of government for Cuyahoga County is that there be a redistribution of powers between existing municipalities within the county and a rehabilitated county government. It is assumed that such a distribution of powers will grant certain outstanding metropolitan functions to a central county government having jurisdiction over the entire area and allow the municipalities, large and small, to retain local functions and powers.

Results of the last census verify, in a convincing manner, the fact of a growing dispersion of population throughout the county area and the necessity from various points of view of making the governmental arrangements within the county conform with the unmistakable trends of economic and social development.

Those interested in Cuyahoga County problems are gratified that the Ohio Chamber of Commerce, the farm organizations and other state-wide organizations, are exhibiting such a keen interest in the whole matter of remodeling county government throughout the state and are likewise gratified that the representatives of these civic bodies recognize clearly that Cuyahoga County, the chief metropolitan center of the state, has its own aggravated governmental problems which have grown out of its unrelenting metropolitan expansion. It would appear at this writing that a carefully framed amendment, sponsored by state-wide interests and organizations, will have a better chance of passage than the amendment which was introduced last year sponsored chiefly by the Citizens' Committee of Cuyahoga County.

CLEVELAND SCHOOL BOARD ADHERES TO PAY-AS-YOU-GO

BY G. A. GESELL

Clerk-Treasurer, Board of Education

The Smith One Per Cent Law compelled the abandonment of pay-as-you-go but liberalizing legislation passed in 1925 is permitting the Cleveland School Board to return to its original policy. Large savings for taxpayers effected. :: :: :: :: :: :: ::

Prior to the enactment of the Smith Tax Limit Law of 1911 most of the Cleveland school buildings were constructed from tax revenues. In the period from 1904 to 1910 sixty per cent of new construction was financed out of tax levies and the annual charges for interest and sinking fund were only $200,000. After 1912 the schools were unable, because of the severe tax limits of the Smith Law, to use any part of their tax revenues for buildings and the annual debt charges began to run into the millions.

COMPELLED TO ABANDON PAY-AS-YOU-GO

This practice was not abandoned by reason of any defects of its own, but because restrictions of the law deprived the board of the levies formerly used for building purposes. Hence, bonds had to be issued whenever a building program was undertaken. As the amount of bonds increased the tax to pay for them rose until it approached the same rate as would be necessary to pay for the annual building program. The period of temporary relief afforded by the Smith Law proved to be a short one with added cost to the present and future taxpayers.

Five years ago the outstanding indebtedness of the Cleveland School District was $33,000,000 and the annual debt requirements were $3,350,000. The board of education was confronted at that time with the problem of financing a $15,000,000 building program.

For several years the board had taken the attitude that bonding is an unsound means of financing school buildings. Therefore, when the general assembly passed a law in 1925 permitting the people to provide a building levy, the board in harmony with its attitude in the past, proposed to submit the question of such a levy to the voters at the November election.

There was created in the summer of 1925 by resolution of the city council of Cleveland an unofficial Citizens' Advisory Committee, representing the three major taxing districts of the county and organized to consider the capital expenditure programs to be submitted to the voters in the November election. The sphere of activity of the committee was not limited to a consideration of the relative merits of the permanent improvement programs of the city, county and the schools but was specifically charged by the resolution to give consideration "to the financing of improvements directly from taxation in lieu of borrowing."

RETURN TO PAY-AS-YOU-GO URGED

The board of education addressed a communication to the Citizens' Advisory Committee submitting its building requirements for a period of five years and urged the importance of returning to the pay-as-you-go method of financing school buildings. The board recognized that an overnight change to the direct levy would result in a sharp rise in the tax rate and therefore presented the alternative of a gradual abandonment of borrowing. "It is possible," read the communication, "for the board if given a sufficient levy by the voters, to carry on its building program without any further issuance of bonds. Or, it is possible to combine the two methods, gradually increasing the direct tax and diminishing the borrowing until in a few years borrowing can be almost discontinued."

The Citizens' Advisory Committee declared in favor of the board's objective of financing school buildings out of current revenues provided it could be introduced without bulging the tax rate. The result of several conferences was the submission to the voters of a graduated tax levy beginning with two-tenths of one mill for 1926 and scaling up to five-tenths of one mill for 1930.

The daily press and civic bodies, without exception, urged the approval of the special levy. The Citizens' League, an association interested in the promotion of good government, addressing itself to the board's proposal made the following recommendation:

> These levies, increasing year by year, are intended to supply funds for the construction of new buildings from direct taxes rather than by the more expensive method of borrowing and issuing interest-bearing bonds for that purpose. It will enable the board of education gradually to place the schools on a pay-as-you-go basis and to abandon the present methods of issuing bonds for these permanent improvements. These levies should, in the interest of economy, be approved by the voters.

The voters, apparently, were convinced that the escape from pyramiding debt charges lay in a direct tax levy and expressed themselves accordingly at the polls by the decisive vote of 54,786 for the proposition and 26,664 against it.

DEBT REDUCED DURING FIVE-YEAR BUILDING PROGRAM

The five-year authorization to levy this direct tax expires at the end of 1930. During this period the board of education consummated an ambitious building program. It completed the construction of ten elementary schools, four junior high schools, one major senior high school, additions and alterations to four other school buildings, and the financing of the new administration building.

It is gratifying to report that this five-year building achievement was financed without increasing the indebtedness of this school district. When the board submitted its special levy in 1925 the outstanding indebtedness was $33,000,000. When the renewal of this levy is voted upon this fall, the indebtedness will be $27,000,000, a decrease of $6,000,000.

In the five-year period, the direct levy produced $3,300,000 on a tax duplicate of approximately two billion dollars. In addition to these levies, the board transferred $1,000,000 from its general fund to the permanent improvement fund. This transfer was made possible by certain savings which accrued in the financing of the current expenses of the schools. Sixty per cent of the construction program since 1925 has been financed out of the proceeds of bonds and forty per cent out of current revenues.

IMMEDIATE BUILDING PROGRAM TO BE FINANCED BY TAXES

The immediate building program confronting the board of education includes the construction of three senior high schools, and the additions to one junior high school and three elementary schools. The cost of these improvements will be approximately $4,000,000.

The board in its determination to get on a pay-as-we-go basis has decided to finance this program without submitting a bond issue at the November election. The request of this school district will be confined to a resubmission for five years of a .5 mill building levy.

The board has a balance in its building fund of $1,500,000. It proposes to transfer $300,000 from its operating fund and is giving consideration to the transfer of $450,000 from its fire insurance replacement fund. The monies in the replacement fund have been accruing since 1919. In that year the board discontinued the payment of premiums to private insurance companies and adopted the policy of carrying its own insurance by appropriating each year an amount equivalent to the insurance premiums. Our experience with fire losses would appear to justify the abolishing of this fund and this we propose to do by investing it in a new school building.

The issuance of bonds during the next five-year period cannot be entirely discontinued. The probabilities are that if the special levy is renewed the indebtedness of this school district will drop from $27,000,000 in 1931 to $17,000,000 in 1935.

SAVINGS BY AVOIDING BOND ISSUES

The tremendous savings that are being effected in interest charges by this transition to the pay-as-we-go policy is only part of the story. Forty per cent of the annual debt charge is interest. The administration costs in the issuance of bonds which include election costs, advertising, legal services, engraving and the clerical services required to redeem the bonds and interest coupons are expenditures which disappear under a pay-as-we-go policy.

The cost of constructing new buildings has been appreciably reduced in the past five years by the establishment of a standard plan for elementary and junior high schools. The architectural and operating savings that we have made in duplicating schools is attributable to the limitation of funds that have been made available by meeting the entire costs immediately.

The annual debt charges of this school district exceed by $1,500,000 the annual building budget. The debt curve will drop sharply each year. There is every indication that the outstanding indebtedness of the Cleveland School District will not exceed $10,000,000 in 1940. Debt charges will again be expressed in hundreds of thousands of dollars instead of millions. In fifteen years the objective of the board of education will have been achieved.

HOW THE TAYLER GRANT IS OPERATING

AS OF AUGUST 30, 1930

BY ARTHUR F. BLASER

Chief Engineer, City Street Railroad Commissioner

The Tayler Grant franchise of 1910, a pioneer in service-at-cost and city-company partnership, has served the people well. :: :: ::

A CITY cannot thrive and prosper without a good transportation system. Lack of elasticity in its arterial system is a sign of old age in a city quite as much as in the human body. Periods of distress and crises, calling for wise decisions, may arise in the life history of one as in the other.

VAN SWERINGEN COMPANY RAISES NEW PROBLEM

At the present time the City of Cleveland has come to the crossroads in the further evolution of its transportation facilities. Two lines of development have come out of the past: one, a surface street car system, local in character, with a history of fifty years or more of service, and operated in recent years by the Cleveland Railway Company; the other, a rapid transit development, with its origin somewhat less remote, with comparatively little actual operation to its credit, but with foundations for rapid transit, laid along broad lines, with ordinances granting ample rights and authority to occupy a large portion of the metropolitan area, under the control of the Van Sweringen interests. These rapid transit plans are rapidly maturing, and actual operation of this service into the new Terminal by the Cleveland Interurban Railroad Company has just begun. It is this situation of one company, almost the sole agent in the field in years past, and another company entering the field, even though with a service somewhat different in character, that compels decisions of vital importance to the future welfare of Cleveland. Which road are we going to take?

Shall each of these two services occupy the field independently, and pursue its own separate course under the rights and authority granted by the terms of its various ordinances? Such a course would inevitably result in a division of the business and revenues to be derived from serving this community, and very likely, to a return of the earlier competitive methods of operating street railways. In the face of the declining patronage of recent years, this policy seems destined to failure and possible disaster. Shall these two services be coördinated—the surface and more local system, combined with the rapid transit system—to form one comprehensive unit? This plan should hold out far greater promise of success for the future. In view of the fact that both properties are now controlled by the same interests, the difficulties involved should not be insurmountable.

The writer's prediction is that even with this coöperative effort assured, very careful management will be necessary for many years to come, to insure success. Viewed as a transportation problem alone, the combined system may not be a profitable venture in the early years, for we must remember that while the transportation facilities are being greatly increased, the car-riders have been steadily diminishing in recent years. Financial assistance may have to come by assessment in some form against the enhancement of land values and property values, created by the transportation facility itself. Increased property values and land values, created in this way by transit arteries, are not imaginary. Usually, these values may be actually bought and sold, and hence may be measured in fairly accurate amounts.

NOW IN TRANSITION PERIOD

Cleveland is distinctly in a transition period. On July 20 of this year the first rapid transit cars from Shaker Heights and South Moreland Boulevard entered the new Union Terminal at the Public Square. Similar rapid transit services are contemplated along the Nickel Plate right-of-way, easterly; and later on, westerly into this same Terminal. Commuter service has also made its appearance on several of the steam railroad lines from outlying suburbs into this Terminal, changing power in the electrified zone through the Terminal. The character of our transportation in metropolitan Cleveland is, therefore, undergoing a radical change. What was a purely local surface street car system in 1910, and supplemented in 1926 by the addition of a fleet of motor coaches, all under the control of the Tayler Grant, is now to be further supplemented by the addition of rapid transit lines. Whether this new service will be entirely independent in its management and operation, or coördinated into one transportation system, is not apparent at this time. Whether this service will be regulated as to rates of fare, stops and transfer privileges, by the City of Cleveland, as contemplated by the original Cleveland Union Terminals Company's Ordinance of 1919, or by the Public Utilities Commission of Ohio, is also a matter hanging in the balance at the present time.

THE TAYLER GRANT

In the light of this situation, it is somewhat difficult to state how the Tayler Grant is operating. The Tayler Grant of the past, and the present, certainly covers two different aspects of our transportation problem, and the future promises still more radical changes. Judged in the light of the immediate present, the outlook in Cleveland, in common with many other railway properties, is somewhat pessimistic. The Interest Fund, which regulates the rate of fare, is not only below $500,000, the point at which the rate of fare should be increased, but has almost reached zero. On January 1 of this year, the rate of fare was increased from rate "D," 7 cents cash, 8 tickets for 50 cents, and 1 cent for transfer; to rate "C," 8 cents cash, 7 tickets for 50 cents and 1 cent for transfer. This higher rate of fare was effective in producing more revenue for a period of four months only, over the corresponding months of the previous year. In May, June, July and August of this year, the revenues have increasingly fallen below the corresponding months of 1929. Apparently, increasing the rate of fare is not an adequate answer. We are passing through a financial "low," and the Tayler Grant has not prevented it. Passengers are still falling off, and the Tayler Grant seems powerless to prevent it. It must be remembered, however, that the Tayler Grant cannot set aside economic law. It cannot prevent widespread business depression such as that which we are now experiencing. In the business world the railway industry assumes an entirely secondary character. When general business is good, it usually follows that the railway industry prospers. When shops and factories are closed, the railway industry suffers accordingly.

CHANGED CONDITIONS SINCE TAYLER GRANT WAS CONCEIVED

Turning to the past, the Tayler Grant has been in operation in Cleveland since 1910. Most of the readers of the NATIONAL MUNICIPAL REVIEW are entirely familiar with its main features. It is an instrument conceived at a time when conditions were far different from what they are today. Competition with the automobile did not exist. Passengers were to be had in large numbers and were increasing year by year. The Cleveland Railway Company had practically a monopoly, and large profits were possible, because hauls were short, and short hauls in densely populated areas make profitable railway operation. Under these circumstances the city became a vitally interested party in 1910, and the ordinance establishing "service-at-cost" was enacted. While the "service-at-cost" principle is usually considered the central feature of the Tayler Grant, we shall probably find that the city's active participation in the operation of the railway system, will, in the future, be considered a more important feature.

CITY A PARTNER OF THE COMPANY

From the very beginning, the city appears as an active partner under the agreement. The valuation of the property was made jointly by city and company representatives. The city reserved to itself the entire control of the service; and the company received for such service, a fixed return and the security of its property, to the extent that this could be guaranteed in the Grant. There is included in the agreement an automatic regulation of fares, which has provided an elasticity in the Tayler Grant absolutely necessary in any modern railway ordinance. Through the office of the City Street Railroad Commissioner, the city keeps informed on all railway matters, and exercises its control of the service, and its check on the cost of the service. The city is an active participant in all extensions, betterments and permanent improvements, which cannot be made without the city's consent. The city's consent must be obtained in making extensions in suburbs. All of these features, and many other related ones, have thrown a large measure of responsibility on the city in the operation of our railway system.

A 2-CENT FARE FOR A SHORT RIDE

But what of the future? First of all, the rail and bus services in any city, like Cleveland, are no longer a monopoly; but in fact, highly competitive, and some of the features of the Tayler Grant, which were of primary importance to the city years ago, may well come to assume a lesser importance. For example, it is quite inconceivable that under present conditions a transportation company, privately owned and operated, could make unlimited profits. This is true because there is a distinct limit to the rate of fare that can be charged, and particularly so for a short haul.

An interesting experiment is under way at the present time on Euclid Avenue bearing on this fact. A 2-cent zone has been established on Euclid Avenue, between East Eighteenth Street and the Public Square, effective since July 14, 1930. Here the pedestrian may take a short ride for 2 cents without, however, the privilege of a transfer. Formerly he was required to pay the regular rate of fare in the city, 8 cents cash, or a ticket at the rate of 7 for 50 cents.

At the 2-cent rate we are carrying somewhat over 9,000 passengers per day; and at the former regular rate we were carrying in excess of 3,000 passengers per day. This is an increase of more than three times as many passengers. While this experiment is not impressive as a revenue measure, it must command the respect of all students of this problem, from the standpoint of patronage.

I say the return to the company is limited, both because of patronage, and because of the higher rates of fare which are necessary for present-day operation. Many people do not want to ride in street cars and buses, and many more do not have to use these services, for they have an alternative in a second-hand flivver, if nothing else. Competition in a very real sense has returned, and purely regulatory measures as regards service and rates on the part of the city, will probably assume less importance.

RAPID TRANSIT NOW A NECESSITY

A second very vital change is also slowly but surely transforming our transportation system: the change from "local surface" lines alone, to the inclusion of rapid transit lines, is a necessity. Our streets have become congested; traffic lights and various other traffic regulations have tended to reduce our surface cars to slow speeds. We are living in a fast-moving age. When we return to our native haunts of 25 or 30 years ago, we are surprised to find how all our childhood distances have shrunk. Even the hills seem less steep—certainly contracted. We consume distance so fast now that our measuring stick of long ago has actually changed. We refuse to ride a street car through congested areas for a distance of 8 or 10 miles, consuming an hour in the morning and again in the evening. We prefer a rapid transit ride from the 10 or 12-mile circle into the heart of the city in 20 or 25 minutes.

Such a service is actually in operation in Cleveland on the Shaker Heights and South Moreland Boulevard lines since July 20 of this year. One glance at the recent census map of metropolitan Cleveland further emphasizes this change. There is a large area reaching out as far as East Fifty-fifth Street, and an equal distance on the west-side, where the population has actually receded. In the very early years these boundaries marked the limits of railway operation. This same map indicates large suburban areas surrounding the city, in which the population has increased up to 500 per cent. Well chosen rapid transit lines, rather than surface cars alone, is the only adequate answer to this modern development.

TAYLER GRANT HAS GIVEN GOOD SERVICE

How is the Tayler Grant fitting into this new picture? I have already indicated that the jurisdiction over this new rapid transit service is in dispute as between the city authorities and the State. We are faced with these alternatives; either dual control in metropolitan Cleveland, with the city, under the Tayler Grant, in control of all former railway and bus service; and the Public Utilities Commission of Ohio in control over the new service; or else, city control over the combined operation.

In conclusion, I may say that the Tayler Grant has been an exceedingly valuable instrument in the past. It has given us excellent railway service under a partnership agreement for twenty years. Probably its most valuable aspect, if not its most distinctive one, has been active city participation in the operation and expansion of the system. This same active interest on the part of the city, I believe, will be even more necessary in the future, for no public utility will go far without the good will of the community. The emphasis, however, should shift in accordance with the new conditions—less attention given to purely regulatory features, and far more consideration to the larger questions of proper development and coördination of local and rapid transit lines, and to financing. It may well be that for the welfare of the community, private interests and the city must coöperate in finding a way of supplementing the revenues produced by the car-rider, if we are to have just as adequate highways for mass transportation, as we do for individual transportation.

THE CLEVELAND METROPOLITAN PARK SYSTEM

BY W. A. STINCHCOMB

Director, Cleveland Metropolitan Park District

Cleveland's 9,031 acres of park lands were enjoyed by more than 1,500,000 persons last year. More than four million dollars has already been spent on them. :: :: :: :: :: :: ::

FOR about twelve years metropolitan Cleveland has been engaged in building a metropolitan park system, which would be adequate to serve the recreational and cultural needs of this great urban community.

These twelve years of activity were preceded by many years of agitation on the part of a handful of earnest enthusiasts who foresaw the day when, unless definite steps were taken, Cleveland would find its park facilities entirely insufficient.

In 1911, the first bill to provide for a county park system around Cleveland was prepared and submitted to the legislature by this group of enthusiasts.

Ohio, however, is like most of the states of the union in that its legislature is controlled by delegates from the rural sections, who have not always been able to see the needs and requirements of the large metropolitan and industrial centers. The bill, as submitted, failed of passage but out of the agitation that ensued, the legislature did pass a bill providing for the creation of a county park board, which might receive donations of land, monies or other property and hold and use them in the name of the county.

While this act created a public board, it provided no means for it to function and as a natural consequence, little actual progress was made. By reason, however, of the appointment of the board, the park movement in the community was kept alive. Public attention was constantly focused on the need of additional legislation which would permit the execution of comprehensive plans along this line.

At its next session the legislature broadened the powers of the board and permitted boards of county commissioners to contribute, from general county funds, monies for carrying out park work.

With appropriations made by the

county commissioners, a complete plan for a metropolitan park system, surrounding Cleveland, was prepared, based upon topographical surveys made at that time. Before its final adoption by the park board, it was given careful study by Frederick Law Olmstead and approved by him. This plan was presented to the National Conference on City Planning, held in Cleveland in June, 1916, and widely approved.

Difficulties soon arose due to the fact that the park board, created under the legislation referred to, was a county board. The validity of the act was soon attacked in the courts on the ground that the members of this board were county officers and as such, under the constitution of Ohio, had to be elected. The case was carried to the Supreme Court and the ruling of the court was in favor of the plaintiff and the park board was thereupon put out of existence.

A PARK DISTRICT ESTABLISHED

The decision of the court had been anticipated and as the legislature was in session when the legal action was begun, a bill was drawn providing for the creation of park districts. This established separate and distinct political subdivisions of the state and provided for the appointment of boards of three members, named by the probate court of the county in which the district was first formed. The bill was passed, the district was created and a park district board was appointed. This is the present form of the Cleveland Metropolitan Park Board.

Members of the park board, under the park district law, are appointed for terms of three years, one member's time expiring on the first day of January each year. Appointment by the probate judge removes the appointees, very largely, from political or other improper influences. The overlapping terms insure a continuity in plan and policy essential to the development of such a project. The law made the park board a taxing body and permitted it, subject to the approval of the budget commission, to levy a tax not in excess of one-tenth of one mill. It permitted the board to submit to the electors of the district, the proposition of an additional levy of not more than one-tenth of one mill at any one election.

As a result, the park board was able for the first time, in laying out the park system, to recognize natural advantages and boundaries instead of county lines. Under the law, territory outside of the county in which the district was first created, may, by proper proceedings, become annexed to the park district and when so annexed, enjoy all the privileges of the original territory and assume all of the obligations of that area.

BASIC PLAN UTILIZES BEDS OF STREAMS

The basic plan of the Cleveland Metropolitan Park System called, in large measure, for the utilization of the valleys of streams for park purposes. The district was fortunate in that its topography lent itself to such a plan. By means of the valleys of Rocky River and Chagrin River, to the west and east respectively, and of Chippewa Creek and Tinker's Creek, in the south, a belt of encircling parkway was provided around three sides of the metropolitan park area, with Lake Erie on the north.

The plan called for approximately 15,000 acres of park lands, located generally in this semi-circle about the metropolitan area. The major park reservations were to be connected by boulevarded highways. The Euclid and the Big Creek valleys linked the built-up and developed sections of

Cleveland with the parkways in the outer belt.

The soundness of this original conception is demonstrated by the fact that there has been little deviation from it. The metropolitan system, as it is today, is virtually the system first mapped more than a dozen years ago.

THE REGION'S TOPOGRAPHY

Cuyahoga County is decidedly rough and rugged in its contour, after the lake base is left behind. Within the City of Cleveland is the genesis of the Allegheny Mountains.

The county is traversed by three major streams and numerous branches. On the west Rocky River has cut a deep gorge through the shale which closely underlies this particular section. The valley of the river varies greatly in width with a maximum of well over a mile. Some six or seven miles from the mouth is the junction of the east and west forks and the location of Cedar Point, a geological formation of very considerable interest. Big Creek, a branch of Cuyahoga River, connects the metropolitan system with that of Cleveland.

The next stream to the east is the Cuyahoga River. Within the city this serves as a natural harbor and its banks are lined with mills and warehouses. Further south it becomes a winding, meandering bit of water of great natural beauty. Tinker's Creek and Chippewa Creek, the sites of two of the largest reservations, flow into the Cuyahoga in the southern portion of the county.

At the eastern limits of the county is the Chagrin River, so named by early settlers who mistook it for the Cuyahoga.

The Chagrin valley is one of the most beautiful in northern Ohio. Here the park reservations are on high and broken lands on the valley's rim rather than in the valley itself.

Economically the land with which the park board had to work is worth very little. Because of the very nature of the terrain, railroads have generally given it a wide berth and so removed definitely any industrial possibilities. It is too broken for agricultural purposes and little of it suitable for the construction of homes.

Left to itself much of it would inevitably have gone the way of so many valleys in or near our great cities. As urban development encroached, the valleys would have become the last refuge of rubbish, broken cars and the waste products of a great city. Polluted waters would have made these valleys a sanitary, as well as an æsthetic menace. The park board has rescued the area from this dismal fate.

VOTERS APPROVE THE PARK SYSTEM

In 1918 the board acquired its first property; only a few acres. This was increased slightly in 1919 and in 1920 the voters of the district were asked for further financial aid in the form of a one-tenth mill tax levy for a period of ten years. The funds to finance the campaign were privately subscribed and an aggressive effort was made to educate the public regarding the value and possibilities of the park system. As less than 1,000 acres had actually been purchased it was necessary to emphasize the growing need and importance of assuring Cleveland of sufficient and accessible recreational areas.

The proposal received wide support and when the votes were counted it was found that the park issue had passed overwhelmingly. So the board was assured of approximately $250,000 a year for the next decade. This, added to the income it was already receiving, made an average total of between $400,000 and $450,000 a year. The board was now in a position really to begin to round out the park system.

It had already set the policy of encouraging property owners to deed tracts needed for the system. This was not altogether an altruistic act on the part of land owners, for immediately the value of their adjoining holdings increased in desirability as home sites. Carefully considered restrictions were placed on adjacent land so that the beauty of the parks would not be destroyed. This policy, together with the improved financial position of the board, changed the parks from mere paper plans to actualities. Prior to 1920 the board had acquired only 109 acres. In 1921 this was increased by 716, in 1922 by 997, in 1923 by 1668, and in 1924 by 90 acres.

During this last year, the board submitted a second one-tenth mill tax levy to the voters. This carried and the annual resources approached the three quarter million mark.

In 1924, 928 acres were added; in 1925, 1,110; in 1926, 1,678; in 1927, 576; in 1928, 392; and in 1929, 767, making a total of 9,031 acres, now divided into nine distinct reservations.

9,031 ACRES OF PARKS

Rocky River Reservation extends from close to the mouth, southward for nearly thirteen miles. Its total acreage is now over 3,000. Within the reservation are a nine and an eighteen-hole golf course, nearly eleven miles of bridle paths, four and a half miles of foot trails, a nature trail, four ball diamonds, four picnic grounds, and two summer camps maintained by welfare organizations.

Huntington Park is on the shore of Lake Erie. While only 100 acres in extent, its bathing beach, ball diamonds and picnic grounds attract as many as 10,000 on a fine Sunday afternoon.

Big Creek Reservation is in the southwestern section of the city. It has 355 acres with two and a half miles of bridle paths, a mile of foot trails, a ball diamond, and two picnic grounds.

At Hinckley, a realistic, truly beautiful 100-acre lake has been created by damming one of the branches of the Rocky River. Hinckley Reservation has 678 acres and is the site of the famous Whipp's Ledges, which tower precipitously for one and two hundred feet. Facilities for public enjoyment are two and a half miles of bridle paths, six and a half miles of foot trails, a ball diamond, two picnic grounds, and a swimming pool. The lake has been stocked and limited fishing privileges are allowed.

South Chagrin has an extent of 486 acres with three and a half miles of bridle paths, two and a half miles of foot trails, a ball diamond, picnic ground, and nature trail.

North Chagrin's acreage of 1,188 makes it the third largest reservation. Its nearness to the thickly populated northeastern section of the city has made it one of the most popular of the park units. Because of both its size and popularity, it has been generously developed. There are six and a half miles of bridle trails, eleven and a half miles of foot paths, three ball diamonds, three picnic grounds, a nature trail, and a boys' camp.

Euclid Creek is largely the work of nature and few attempts have been made to change this area from an undeveloped bit of wilderness. Here are a ball diamond, picnic ground, boys' summer camp, and a swimming pool.

The Brecksville Reservation is nearly due south from Cleveland. It has 1,647 acres. There are four and a half miles of bridle paths, ten and a half miles of foot trails, two ball diamonds, two swimming pools, a nature trail, a picnic ground, and two boys' summer camps. The Harriet Keeler Memorial is also located at Brecksville. Miss Keeler was a teacher in Cleveland for many years, author of books on trees and flowers and one of the pioneers in nature study in this region.

SLEEPY HOLLOW GOLF COURSE

The Sleepy Hollow Country Club golf course is also located within the Brecksville Reservation. Previous to the acquisition of land by the park board the founders of this club had contracted for a tract upon which to build the golf course and had constructed a nine-hole course. The board was able to secure the deed to the land, then under contract to the Country Club, at a price very much lower than that which the club had agreed to buy it. Upon its acquisition a lease was entered into with the Country Club, providing for the construction of an eighteen-hole golf course and clubhouse. All plans were to be subject to the approval of the park board and the cost was to be in excess of interest compounded on the cost of the land. For a period of over twenty-five years these improvements were to be maintained at one hundred per cent value and at the expiration of the lease, the course, with all improvements, was to become the property of the park board. This arrangement insures future golfing facilities without public expense. The agreement is particularly fortunate as the board found itself without funds to construct its own course.

The last of the nine reservations is in Tinker's Creek valley at Bedford. Eleven hundred and twelve acres have already been acquired and six miles of bridle paths, eight and a half miles of foot trails, a Girl Scouts' summer camp, two ball diamonds, and two picnic grounds have been built.

Three nurseries have been established in two of the reservations. More than 135,000 trees were planted permanently during 1929 and nearly 370,000 seedlings placed in the nurseries during the same year.

The nature trails are being widely used and follow the pattern of those constructed at Bear Mountain. They were built with the coöperation of the Cleveland Museum of Natural History. The summer camps listed above are all operated through various welfare organizations. Any such group may establish a camp if the need has been established by the Welfare Federation.

The park board neither owns nor operates riding stables, but one or more have been privately built on the edge of all of the major reservations. This arrangement seems satisfactory and does not involve the board in additional enterprises.

Until two or three years ago much of the board's income was spent for the purchase of land. This was done so the greatest possible acreage might be acquired before land prices became prohibitive. The wisdom of this step has been shown repeatedly as property values in the neighborhood of the parks have increased many times.

The problem of providing facilities for the constantly increasing stream of visitors is becoming more and more serious. This is especially true as it concerns the construction of roads leading into these great reservations. Because of the very nature of the terrain, road building involves enormous expense, but in spite of this fact some seventeen miles were built during the past year.

Stream pollution is another question which has constantly faced the board and is now being dealt with through the coöperation of the county, various municipalities, and the state. Comprehensive sewage disposal plans have been made and will be put into force.

OPPONENTS RAISE LEGAL DIFFICULTIES

The board's accomplishments have not been without serious opposition, particularly in the acquisition of land and on the part of some owners who were not disposed to take a reasonable and fair price for their property in accordance with awards made by juries in the courts. Because of this many suits have been brought claiming on various grounds that the park law was unconstitutional.

The law was unique in that it rested upon the provision that the Ohio Constitution, which provided for the enactment of legislation to conserve and protect the natural resources of the state. It was contended that the work which the park board was doing did conserve natural resources of the community and that these natural parkways and public reservations, in rather close proximity to a great industrial and congested area, were indeed a form of natural resource of ever-increasing value to the public.

Opponents of the park board also claimed that the law was unconstitutional in that it provided for the appointment of public administrative officers and that it provided for a tax levy through such appointed officers.

In several cases which were carried to the Supreme Court of Ohio and in one of which eventually reached the Supreme Court of the United States, the constitutionality of the act was affirmed. It is believed that the Park District Law of Ohio rests upon a secure constitutional foundation.

FOUR MILLION DOLLARS EXPENDED

In the twelve years of its existence the board has spent nearly $4,000,000 in acquiring and improving nearly 10,000 acres of land. At no time has any effort been made to "park" the reservations. Rather has the purpose been to keep them in their natural state as out-door refuges for man, animal and bird. Within the park lands are many hundreds of acres, whose natural beauty is untouched and unharmed.

The task of conserving these areas has attracted Cleveland's foremost citizens. The president of the board is Warren S. Hayden, of Hayden, Miller and Company, an outstanding financial firm; the vice-president is Andrew Squire, head of Cleveland's largest law firm; and the third member is Cyrus S. Eaton of the Republic Steel Company.

That Clevelanders appreciate the advantages offered by the parks is evidenced by the fact that last year more than 1,500,000 enjoyed these recreational spots, and this year that total will be greatly increased.

RECENT BOOKS REVIEWED

County Parks. A Report of a Study of County Parks in the United States. Playground and Recreation Association of America. 315 Fourth Avenue, New York. 1930. 150 pp.

This is a timely and useful report, well arranged and attractively presented. Beginning with an adequate discussion of the development of county parks and describing in some detail several good examples of county park systems, the report includes chapters on Legislation, Finance, Establishing the County Park System, Administration, Human Uses of County Parks, and the Economic and Social Effects of County Parks. In addition, there are: a brief but useful bibliography; a statistical summary of county park systems; and an analytic summary of county park legislation.

Such a report was badly needed. Data regarding county parks has not been available in a compact form, and no attempt at a comprehensive study of county parks has hitherto been made. The apparent effort of the Playground and Recreation Association to secure first-hand and recent information increases the value of "County Parks" as a reference handbook.

Even those who have followed most closely the growth of county park systems may be surprised to learn that in 1929, sixty-six counties were participating in the movement. Growth of county park acreage during the last few years is astonishing. The Playground and Recreation Association reports a total of 105,943 acres for 1929, whereas, in 1926, a bulletin of the United States department of labor indicated a total of only 67,464 acres of county parks—an increase of 38,479 acres, or more than 57 per cent in three years.

The chapter on Legislation and the summary of county park laws by states, analyzing the various laws and their special features, will be found most useful. There are a few noticeable typographical errors in date and chapter numbers which might be corrected in a later edition.

The reviewer believes that anyone engaged in county park activity will find this report invaluable as a constant reference book. It is to be hoped that the Playground and Recreation Association may find it possible to keep the material up to date and issue revisions of *County Parks* from year to year, as new information becomes available.

Russell Van Nest Black.

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Minnesota Year Book. Minneapolis: Published by the League of Minnesota Municipalities, 1930. 326 pp.

This first Minnesota Year Book is produced jointly by the staffs of the League of Minnesota Municipalities and the Municipal Reference Bureau of the University of Minnesota under the direction of Morris Lambie. The book is unique in that it confines itself to a factual presentation of the legal bases together with the organization and administration of state and local government in Minnesota. In the past, year books have contained a wide variety of statistical data relating to natural resources, commerce and industry, and have treated information regarding the government in a superficial manner. The Minnesota Year Book presents in brief compact form a complete picture of the organization, and operation of governments in Minnesota. It should be of great value to officials and citizens interested in any phase of government and might well serve as civic text book for the schools of Minnesota.

A calendar of Minnesota Government is given, showing the dates on which officials and citizens must perform various duties for the period, June, 1930, to July, 1931.

State government in Minnesota is treated in a comprehensive manner. Maps showing the congressional, legislative and judicial districts into which the state is divided are accompanied by statements of powers, duties and functions of the legislature and judiciary. The offices, bureaus and institutions of the executive departments of state government are each presented by means of organization charts, brief descriptions of their legal powers and duties and statements of their activities and accomplishments as shown by their recent annual reports.

The organization of county government is presented together with a directory of county officers. After describing the general plan of city and village government, there are given tables showing the cities which operate with home rule charters, general or special laws, together with a complete directory of city officials.

An important section deals with taxation and finance. Elaborate tables present the tax rates and assessed valuation of cities and villages, the indebtedness of the state, counties and municipalities, statutory limitations on property taxes, special assessment statutes and the total volume of taxation in Minnesota.

A section on Public Utilities presents the rate schedules of public utilities serving Minnesota municipalities with electricity, water, gas, heat and telephones.

The method of grading municipalities into insurance classes and the fire insurance rates are given for each municipality. The book contains information concerning the election procedure, and qualifications for voting, the regulation of business, professions and occupations and directors of state and national associations serving municipalities. The book is well indexed.

The book reveals the large amount of governmental research which is being done in Minnesota by the two organizations issuing the volume. The University and the League are to be congratulated on their ability to produce such a complete and valuable reference book on government. They have blazed a new trail which similar organizations in other states will want to follow.

Don C. Sowers.

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An Economic Analysis of the Constitutional Restrictions upon Municipal Indebtedness in Illinois. By Ward L. Bishop. Urbana: University of Illinois Studies in the Social Sciences, 1928. 113 pp.

Illinois municipalities are struggling today with constitutional restrictions on their power to incur indebtedness that originated back in 1870 when their too liberal subscriptions to railroad corporations were involving them in a policy of debt repudiation. While the 5 per cent limitation established provided an effective check then, its continuance today, in an era of municipal water works, gas works, electric plants, libraries, museums, parks and playgrounds, Professor Bishop shows to be plainly indefensible.

In two introductory chapters the study traces the historical development of the constitutional restrictions on municipal indebtedness and analyzes their judicial interpretation. Some of the more significant rulings cited are as follows: a contract by a city to pay in monthly installments for water supply, street lights and lighting, and the removal of garbage is within the constitutional limitations, and such a contract by a municipality which has already exhausted its borrowing power is illegal, although the monthly installments and ordinary expenses of the corporation are within its current revenues; the limitation applies to each corporation and is not an aggregate limit upon the debts of corporations covering the same or partly the same geographical area; tax anticipation warrants do not create a debt if the tax be levied at the time the warrants are issued, and the contract provides for their payment only out of that particular fund and levy.

The real value and merit of the work, however, lies in the author's analysis of and conclusions on the efficacy of the limitations. As a method of regulating the amount of indebtedness, he found the constitutional restriction to be indefensible for the following reasons: it does not apply uniformly, because of the variation between assessed value and true value; the creation of special municipal corporations by the legislature substantially and unscientifically raises the limit to which communities may borrow; during a period of rising prices, the assessed value of property does not keep pace with the price level, and the municipalities suffer an actual decline in their power to contract debts; taxable values are an unsatisfactory index of capacity to pay, since they exclude the value of tax-exempt property, and do not give consideration to such indexes as the character of the citizenship, the willingness to shoulder tax burdens, the economic stability of the community; the need for capital outlays depends upon the age and population of the community, and various social, economic and geographic factors which may vary independently of property values.

Professor Bishop also emphasizes that two important consequences have resulted from the failure of the constitutional provision to make a distinction between the purposes for which debts may be incurred: the wholly or partially self-supporting character of public service is not recognized, with the result that there has been raised a barrier to municipal ownership; there is nothing to prevent large funded debts being incurred for current expenses, which makes possible shifting to future taxpayers' burdens which should be borne by the present.

In the way of constructive proposals, the author recommends alternative measures adopted elsewhere, particularly those found in Massachusetts, New Jersey, Indiana, and Saskatchewan. He concludes that it would seem desirable to substitute a combined legislative and administrative control in which it would be the function of the legislature to pass laws general in nature, leaving flexibility to meet the exigencies of any occasion to a competent state board or official.

This is an excellent study of a subject of timely interest. In view of the inaccessibleness of municipal financial statistics in Illinois, the writer deserves special credit for undertaking the collection of data on such a subject.

MARTIN L. FAUST.

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THE BRITISH CIVIL SERVICE PERSONNEL ADMINISTRATION. By Morris B. Lambie. A Reprint from House Document 602, 70th Congress, 2d Session. United States Government Printing Office, Washington, 1929. 66 pp.

This report, prepared by the author for the personnel classification board of the federal government, is an exceedingly informative document on the system of personnel administration under the government of Great Britain. Mr. Lambie was well equipped both by study and by practical experience for the task he was asked to perform, and he has performed it well.

The report is descriptive and interpretative rather than critical. In concise terms it portrays the governmental machinery and the administrative processes through which one of the most efficient civil services of our time is managed. While the report is not intended as a treatise on the British government, the opening section, with its admirable chart, does more to clarify the organization of that government than many a volume of abstract discussion of the English political system that one finds on library shelves. Other sections deal with classification, recruiting and appointment, competitive and non-competitive examinations, promotion, salary determination, superannuation, sick leave, vacation practices, removal, Whitleyism, the industrial court, and general privileges and restrictions upon civil servants.

Although Mr. Lambie did not set out to make a comparative study, he nevertheless wrote for American readers and quite naturally brought out many points of similarity and of contrast between the British system of personnel administration and the American system. The similarities, one finds, are more in the problems with which personnel administration has to deal than in the methods of dealing with them. The British approach to personnel affairs is more conservative than ours and in many ways less mechanical. This is especially true in the field of classification. In the British civil service a small number of broad classes are recognized, whereas in the United States civil service classifications set up a large number of narrowly-defined categories. So, too, one finds the British civil service examination a broad test of capacity, whereas the typical American civil service examination is designed primarily to discover specific technical equipment for the job to be filled.

Every one who is interested in the practical side of public administration, especially every one who is concerned in any way with public personnel administration, will find Mr. Lambie's report a most valuable work of reference.

WILLIAM C. BEYER.

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SURVEY OF THE SHERIFF'S DEPARTMENT OF THE COUNTY OF LOS ANGELES. By the Bureau of Efficiency of the County of Los Angeles, Los Angeles, California, 1929. Pp. 221, multigraphed.

The Bureau of Efficiency of Los Angeles County is a staff agency attached to the civil service department under a secretary and director who is also chief civil service examiner. The present incumbent of this office, Sam J. Chappel, has been instrumental in inaugurating a series of county investigations which have been carried on through this bureau by Mr. Harry Scoville, efficiency engineer. Mr. Scoville was former city manager of Monrovia, California, and has for many years been an active participant in movements designed to better public administration in Southern California.

After an introductory chapter on police organization in general, there follows a list of ninety-two specific recommendations. Probably the most interesting part of the report is a section containing one hundred and twenty-nine items headed as "Observations." "There is no modern, up-to-date budgetary control scheme in effect in the department at present." The *modus operandi* system of crime detection is not developed. "Political interferences are constantly hindering the most effective work of the constabulary in criminal matters." "We are impressed with the fact that advance information frequently leaks out on criminal investigations which indicates to us a lack of proper disciplinary control." "We disapprove the disciplinary scheme of the department." The lack of departmental educational facilities is deplored. "There should be a manual of procedure prepared for the constabulary of the county." "All kinds and sorts of outside pressure is constantly brought to bear to secure appointments and transfers in the sheriff's department." "The sheriff should adopt and put into effect a comprehensive and practical plan for the gradual development of scientific research such as latent fingerprints, chemistry, microscopy, topography, guns, ballistics, and automobile tire identification."

The reviewer approaches reports of administrative investigations with a certain suspicion that the investigator may have been under pressure to use the white-wash brush. The above quotations have been selected at random to demonstrate that such was not the case in the present instance. Mr. Scoville is to be congratulated upon his ability to temper adverse criticism with a combination of constructive suggestion and a phraseology which disarms the natural resentment arising from criticism. This is the type of investigation that will in the long run achieve more than reports couched in terms indicative of blunt self-righteousness.

The reader should not, however, gain the impression that the sheriff's department of Los Angeles County is a living example of administrative stupidity. The report shows that on the whole it is a reasonably well-run agency, judged from contemporary standards of police administration. It has grown like Topsy with the characteristic growing pains. While Los Angeles County has expanded in the last few years to a community of 2,100,000, the sheriff's office has absorbed the local constabulary and become a force of about one thousand persons, administering prison facilities comparable in size to many state penitentiaries. It would indeed be surprising if such an administrative organization did not need adjustment at several points.

In addition to valuable photographs of the jail and detention camps, the student of public administration will be pleased to find several organization charts. Much statistical material relative to the handling of prisoners should be of interest to the criminologist.

John M. Pfiffner.
University of Southern California.

REPORTS AND PAMPHLETS RECEIVED

EDITED BY E. K. OSTROW

Librarian, Municipal Administration Service

Parking and Garage Problem of the Central Business District of Washington, D. C.—Prepared under the sponsorship of the Automobile Parking Committee of Washington, 1930. 81 pp. The Committee presents here an exhaustive report dealing with the automobile terminal and parking problem in the capitol city. Material is presented which permits the drawing of competent conclusions with respect to parking regulations and facilities both present and future, in the central business district. The report is liberally illustrated with maps, diagrams, and photographs. (Apply to the Automobile Parking Committee, Washington, D. C.)

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Specifications for Road Construction, Concrete Highway Bridges, Culverts and Other Highway Structures.—Board of County Road Commissioners, Wayne County, Michigan, 1930. 39 pp. A practical manual of instructions to bidders and specifications covering a wide range of highway structures is found in this report. (Apply to the Board of County Road Commissioners, Wayne County, Michigan.)

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County Aid Specifications.—Highway Commission, Trenton, New Jersey, 1930. 220 pp. This manual provides complete specifications for county highway construction including the information for bidders, conditions governing the approval of specifications and the award of contracts, general contract provisions, construction details and the specifications for material. (Apply to the Highway Commission, Trenton, New Jersey.)

*

Proceedings of the Sixtieth Annual Conference on Highway Engineering.—University of Michigan, Ann Arbor, 1930. 340 pp. This is a valuable collection of papers by leading authorities on highway transportation and engineering, traffic control and related subjects. (Apply to the College of Engineering, University of Michigan, Ann Arbor.)

⁂

Increasing the Capacity of American Highways.—Sidney D. Waldon, 1930. 34 pp. An address before the Society of Automotive Engineers, Hotel Pennsylvania, New York City, advocating the construction of trunk line facilities within cities and metropolitan areas with greater coördination and coöperation between local, state and federal authorities.

⁂

The Value of Engineering Supervision of Pavement Construction.—Department of Public Works, Detroit, Michigan, 1929. 54 pp. A report on the advantages obtained in the city of Detroit from 1923 to 1929 through inspection of contract paving construction under the supervision of the city engineer. Charts and specifications are included in the report. (Apply to the Department of Public Works, Detroit, Michigan.)

⁂

Proposed Ten-Year Program for Street Widening.—Detroit, Michigan, 1930. 18 pp. This report, which was presented to the City Council by the Department of Public Works, City Plan Commission, and the Rapid Transit Commission, outlines the means of financing a ten-year program for financing and widening the major thoroughfares of the city. (Apply to the Common Council, Detroit, Michigan.)

⁂

Ways and Means to Traffic Safety.—National Conference on Street and Highway Safety, Washington, D. C., 1930. 62 pp. Recommendations of National Conference on street and highway safety, including findings of all conference committees and of general meetings of the conference held in 1924, 1926 and 1930 as summarized and approved by the third national conference, May 27–29, 1930. (Apply to the National Conference on Street and Highway Safety, 1615 H Street, N. W., Washington, D. C.)

⁂

Safety Code for Brakes and Brake Testing.—Bureau of Standards, Washington, D. C., 1930. 5 pp. The Bureau of Standards presents here a model code based on careful experimentation, to regulate brakes and brake testing of motor vehicles. (Apply to the Superintendent of Documents, Government Printing Office, Washington, D. C. Price, 5 cents.)

⁂

Civic Pittsburgh.—J. C. Slippy, Pittsburgh, 1930. 46 pp. In the third edition of his book, Mr. Slippy has included the first organization chart of the county government of Pittsburgh, a brief statement of the functions of each county office, and important financial data covering county affairs. It is intended to serve as a reference work for students, civic organizations and interested citizens. (Apply to Mr. J. C. Slippy, Pittsburgh, Pennsylvania. Price, 50 cents.)

⁂

American Civic Annual. Vol. II.—Edited by Harlean James, Executive Secretary, American Civic Association, Washington, D. C., 1930. 340 pp. The material in the second volume of the American Civic Annual falls under four main headings: (I) The Nation as a Whole, including national parks, the housing problem, and the federal city; (II) Regional Planning Progress; (III) Work in the States, including state planning and parks, famous highways, state capitols, and roadside improvement; and (IV) Progress in the Cities and Towns, including planning, civic improvement, notable public structures, and planned college campuses. A new feature is a Who's Who of Contributors in addition to the Who's Who in Civic Achievement. A large section of the book is given over to city planning accomplishments, a series of articles on the Federal City, regional progress in New York, Chicago, Los Angeles, Lucas County, Ohio and Cleveland. (Apply to the American Civic Association, Washington, D. C. Price, $3.00.)

⁂

Housing Conditions in Denver.—Published by the City Club of Denver, May, 1930. 19 pp. This report of the Social Welfare Committee of the Denver City Club presents the facts of living conditions in the city. Cumulative neglect and poorly enforced ordinances have created conditions of filth, insanitary situations and lowered moral tone, which tend towards a high percentage of juvenile delinquency, crime, disease. Conditions under the present administration have not been improved, and the City Club feels that it is time to take cognizance of the problem, in order to clear up some of the results of the past neglect and prevent the possibility of the problem growing to even larger proportions in the future. (Apply to the City Club of Denver, Colorado.)

Housing in Pittsburgh.—The Pittsburgh Housing Association, Pittsburgh, 1930. 16 pp. The first annual report of the Pittsburgh Housing Association deals with the inspection work carried on by the Association, a brief summary of existing conditions and the progress made through coöperation with the city's inspectors, social case-work agencies, public health nurses and civic and commercial organizations, is given. (Apply to the Pittsburgh Housing Association, 401 Granite Building, Pittsburgh, Pennsylvania.)

*

The Housing Problem in the United States.—By Lawrence Veiller, New York, 1930. 31 pp. This reprint from the *Town Planning Review* of England is an interesting summary of America's housing problems, with a brief description of what is being attempted by way of solution. (Apply to the National Housing Association, 105 E. 22nd Street, New York City. Price, 50 cents.)

*

Survey of the Erie High Schools.—Erie County Taxpayers' Association, Erie, Pennsylvania, 1930. 99 pp. This is a study of all the facts entering into the location and capacities of the various high schools in the city, with special regard to the probable population growth. (Apply to the Erie County Taxpayers' Association, 116 W. 10th Street, Erie, Pennsylvania.)

*

Progress of the Public Schools, 1924–1929.—William J. O'Shea, New York. 168 pp. The Superintendent of Schools for the City of New York presents this report as a summary of the accomplishments of his five years in office. The emphasis is on the comparison of conditions in 1924 and 1929. Dr. O'Shea believes that "a consideration of the progress of the schools during an extended period, say for five or ten years, has the very great advantage, among others, of showing the phases of our work in which progress has been made and the extent of such progress, more clearly and definitely than is possible by a year to year appraisal." (Apply to the Board of Education, New York City.)

*

The Cost of Local Government in Larimer County, Colorado.—By G. S. Klemmedson, Fort Collins, Colorado, 1930. 84 pp. This thorough study of county revenues and expenditures is used as a basis for recommending such improvements in administration as improved handling of records and accounts, suitable system of budgeting, centralized purchasing and regulation and control of related debts. (Apply to the Colorado Agricultural College, Experiment Station, Fort Collins, Colorado.)

*

Report on General Trends in State Government Expenditures in Colorado.—University of Colorado, Boulder, 1930. 25 pp. This is an analysis of the trend of state expenditures for major activities with adjustments on the basis of the 1913 dollar. It shows that highway construction, education, and public welfare account for ninety per cent of the total increase in state expenditures between 1914 and 1928. (Apply to the University of Colorado, Boulder, Colorado.)

*

Assessors' Manual.—Wisconsin Tax Commission, Madison, Wisconsin, 1930. 184 pp. The Wisconsin Tax Commission, in connection with its duty of supervising the assessment of general property, has prepared a manual of procedure sufficiently broad in its treatment to be of value to assessors in all types of taxation districts. (Apply to the Wisconsin Tax Commission, Madison, Wisconsin.)

*

Kansas City Firemen's Pension Fund.—Kansas City Public Service Institute, Kansas City, Missouri, 1930. 65 pp. (Mimeographed.) This study was made by the Public Service Institute at the request of the Police and Fire Committee. A report on the present system, which is considered to be in an unsound financial condition, together with recommendations for a new system of pensions for the city's firemen are the main features. There are two appendices: one is a tabulation of the firemen's pension fund annual income, 1908–1929, the other is the firemen's pension fund annual expenditures, 1908–1929. (Apply to the Kansas City Public Service Institute, Kansas City, Missouri.)

*

Water Bureau Survey.—Report of the Sub-Committee of the Committee on Finance, Chicago, Illinois, 1930. 138 pp. A useful collection of information on the financial administration of municipal water departments including data on ratemaking and the advantages of metered services. (Apply to Alderman John S. Clark, Chairman, Committee on Finance, Chicago, Illinois.)

JUDICIAL DECISIONS

EDITED BY C. W. TOOKE

Professor of Law, New York University

Airports—Power to Lease for Operation.—In the recent case of *The Concordia-Arrow Flying Service Corporation* v. *The City of Concordia* (Kansas, 289 Pac. 955) the question was for the first time directly presented as to the constitutionality of a statute authorizing municipalities which have acquired airports to lease them to private individuals for operation. (Kans. Laws 1929, ch. 5.)

It had already been decided in Kansas, as previously noted in this REVIEW (Vol. XVIII, No. 6, p. 409, June, 1929), in the case of *State* v. *City of Coffeyville* (127 Kans. 663, 274 Pac. 258), that in the absence of express authorization a municipality may not sublet its aviation field for operation.

The opinion in the Coffeyville case was filed on February 9, 1929, and the legislature of that state in recognition of the expediency, in the present stage of airport development, of permitting municipalities to operate their airports under a leasing arrangement with competent private individuals, promptly, on March 13 following, enacted the statute now in question which conferred upon municipalities the power found to be lacking.

The City of Concordia having acquired an airport and deeming it "not advisable for said city to operate said airport" entered into an agreement, in conformity with the authority conferred by the statute, with The Concordia-Arrow Flying Service Corporation whereby the corporation leased the same for a nominal rental and undertook to operate and maintain an approved airport. The mayor of the City of Concordia having refused to execute the contract and lease on the ground of the unconstitutionality of the statute, the lessee corporation brought this original proceeding in mandamus to compel such action.

So far as is here pertinent, the principal objection to the statute was that the purpose to be accomplished was not a public purpose and that funds of the city raised by taxation could not be used to subsidize a private undertaking. In disposing of this contention, and upholding the validity of the statute and the proposed action of the city, the court indicated the close analogy between public airports and harbors, docks, wharves and other water frontage facilities and concluded that the mere leasing of the property did not operate as a surrender of the control of the airport under the police power.

In view of the existence of statutes of the character just discussed in many of the states and the widespread use of leasing as a means of operation and maintenance of municipal airports, it is believed that the decision of the instant case will tend to settle such doubt as may have existed with reference to the validity of this mode of operating municipal airports.

In connection with the case just discussed a recent decision of the Supreme Court of New Jersey may well be noted (*Stern* v. *Mayor and Aldermen of Jersey City,* 150 Atl. 9). In this case the governing body of Jersey City had authorized the leasing of certain land to the Jersey City Airport, Inc., for an airport.

The statutes of New Jersey expressly authorized municipalities which had acquired lands for airport purposes or used "lands heretofore acquired for other public purposes and now being used for airport purposes" to lease said land to any person, firm or corporation. While the validity of this statute was not objected to nor brought in question, it was contended that the particular lands involved were not of the character authorized to be leased thereunder.

The land in question had been filled in by the city in connection with other land acquired with riparian rights and had been used for airport purposes for some time prior to the lease in question.

Although the court in holding that this property was comprehended by the statute and therefore could be leased by the municipality did not directly pass upon the validity of the statute, the decision may be taken as an indication that upon this question the New Jersey court would come to the same conclusion as the Supreme Court of Kansas in the case discussed above.

Billboards—Regulations Under the Police Power.—The Supreme Court of Indiana in *General Outdoor Advertising Co.* v. *City of Indianapolis*, 172 N. E. 309 (1930), in an able opinion by Judge Martin reviews the legal principles underlying the regulation of billboards. The decision in itself is not especially significant, as the only question before the court was whether existing billboards, which did not deleteriously affect the health, safety, morals or welfare of the community, could be legislated out of certain restricted sections of the city without compensation. The court held that such billboards are not nuisances *per se*, and that while they may be subject to prospective ordinances restricting their location, nevertheless, when once established and properly maintained the owners are entitled to compensation upon their appropriation by the public authorities. Without a provision for compensation, an ordinance purporting to abolish existing billboards that are not nuisances in fact violates the constitutional guaranties of private property.

The question before the court involved the discussion of the validity of restrictive ordinances upon the erection and maintenance of billboards based upon the principle of zoning, and the court indicated that so far as the ordinance was prospective, the city under the police power can prevent the erection of billboards within 500 feet of any park, parkway or boulevard. In taking this position, the court applied to billboards the well established principles of law applicable to all structures which, while not nuisances *per se*, may by their location and relation to surrounding property become nuisances in fact.

The opinion of Judge Martin, however, is a contribution to the literature bearing upon this important question of billboard regulation. The court discusses the fundamental principles governing billboard regulation in relation to present-day needs and carefully collates the American precedents. The opinion is a painstaking summary of the law as it stands today and marks out the legal limitations within which a much needed social reform must proceed.

*

City Manager—Mandamus to Compel Appointment.—The Supreme Court of Georgia in *Board of Commissioners of City of Manchester* v. *Montgomery*, 153 S. E. 35, holds that the city officers upon whom devolves the duty to select a city manager may be compelled by mandamus proceeding to exercise this power of appointment. The peculiar facts of the case are thus stated by the court:

> The commission form of government for said city has been in operation since January, 1924. The present members of said board have been in office since January, 1926. Said act provides that "the commissioners shall select and appoint a city manager within thirty days after their election and qualification, who shall be the administrative head of the municipal government of said city, and who shall be responsible to the commission for the efficient administration of all the departments of said city. He shall be appointed without regard to his residence, political beliefs, or affiliations. During the absence or disability of the city manager the commissioners may designate some properly qualified person to execute the functions of the office." (Sec. 12.) The act requires the city manager to give a good and sufficient bond payable to the commissioners and their successors in office, and conditioned to well and truly perform his duties as such manager, the amount of said bond to be fixed by the commissioners and approved by them. No city manager has been selected and appointed by said board at any time since the establishment of the commission form of government for said city.

Upon this state of facts Montgomery and five other resident taxpayers filed their petition to compel the commissioners to select and appoint a city manager. The commissioners answered that no demand had been made upon them to make such an appointment, and further that one of their own number had been selected and was acting as city manager. The court held that the office of commissioner and that of city manager were incompatible under the statute (Civil Code 1910, sec. 886). As to the point that no demand had been made the court said:

> In a petition brought by residents and taxpayers of this city, against these commissioners, for mandamus to compel them to perform the above duty of selecting and appointing a city manager for the city of Manchester, it is not necessary to allege any demand upon them for the performance of such duty. Where the duty sought to be enforced is one of a public nature, affecting the people at large, and there is no one specially empowered to demand performance, no demand is necessary as a condition precedent to the issuing of a writ of mandamus to compel performance. Public duties should be discharged without waiting for the prod of a judicial writ. In such cases the law itself stands in lieu of a demand and omission to perform the required duty in place of a refusal. (Cases cited.) Especially is this true when the conduct and action of officials is equivalent to refusal to perform the duty required. Anything showing that the defendants do not intend to perform the duty is sufficient to warrant the issuance of a mandamus.

The court also held that the exception based upon the ground that the judgment in mandamus failed to designate any person entitled to the office or to fix the term or salary of the incumbent was without merit, as these matters lay in discretion of the commissioners. While their discretion is not subject to judicial control, the courts may require them to perform the duties imposed upon them by law.

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Constitutional Limitations on Indebtedness—Refunding Bonds.—The Constitution of Oklahoma (Art. 10, sec. 26) provides that no county, city, town, township, school district, or other political corporation, or subdivision of the state, shall be allowed to become indebted, in any manner, for any purpose, to an amount exceeding, in any year, the income and revenue provided for such year, without the assent of three-fifths of the voters thereof, voting at any election, to be held for that purpose, nor in cases requiring such assent, shall any indebtedness be allowed to be incurred to an amount including existing indebtedness, in the aggregate exceeding five per centum of the valuation of the taxable property therein, to be ascertained from the last assessment for state and county purposes previous to the incurring of such indebtedness. This limitation applies to every subdivision of the state, or political corporations, except incorporated cities or towns, which may, as provided by section 27 of article 10 of the Constitution of Oklahoma, become indebted in a larger amount than that specified in section 26, for the purpose of purchasing or constructing public utilities, or for repairing the same, to be owned exclusively by such cities.

In *City of Anadarko* v. *Kerr*, 285 Pac. 975, the Supreme Court of Oklahoma had before it the question whether an issue of bonds for the refunding of a part of the valid outstanding indebtedness of the city would contravene this provision of the state constitution. In the instant case the outstanding bonds had been issued under section 27 of article 10, and the plaintiff, a resident taxpayer, claimed that, as the total indebtedness of the city would exceed the 5 per cent limitation when the amount of the proposed refunding bonds was added to the other indebtedness, the city had no power or authority to make such an issue.

In reversing a judgment of the lower court sustaining the claim of the plaintiff, the supreme court held that no additional indebtedness was created by the refunding of a valid outstanding debt as the change was in form only and not within the inhibition of the constitution. In this decision the Oklahoma courts follow the great weight of authority of the other states where this question has been raised under similar constitutional limitations.

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Municipal Bonds—Proceeds Charged With a Trust.—In *Stephens* v. *Bragg City*, 27 S. W. (2d) 1063, the Missouri Court of Appeals holds that moneys recovered on the city treasurer's official bond upon his default are to be held for those purposes only for which the lost funds had been raised.

The facts of the case are as follows: The city had voted, issued and sold bonds to the amount of $21,000 for the purpose of establishing for said city water-works, electric lights and a city park; $7,000 for each project. The money realized from the sale of these bonds went into the hands of the city treasurer, who defaulted and failed to account for all the money. A suit upon this bond was instituted by the city, and upon a compromise of that suit $4,500 in money and some property was recovered by the city. The then city treasurer deposited this $4,500 in the First National Bank of Caruthersville in the name of Bragg City. Out of this the city paid its attorneys who had been employed to prosecute the suit against McTerr and his bondsmen the sum of $1,500, leaving $3,000 on deposit in the name of Bragg City.

The plaintiff as a general judgment creditor of the city sought to garnishee these funds and the defendant city filed a motion to quash the levy and discharge the garnishee. In holding that the city had no power to use the money raised for a specific purpose for any other city purpose, the court said:

> The fact that the city treasurer defaulted and the money deposited in the bank was secured as the result of a suit by the city upon the bond of the defaulting treasurer cannot change the duty of the city authorities relative to the use of this money. While it could deposit the money in the bank for safe-keeping in such a way as to place the city in the position of a general creditor of the bank in case of its failure, it could not by that act or any other act known to the law acquire to itself the right to divert this money to any other purpose than that for which it was voted by the people of the city. What the city authorities themselves could not do by their own voluntary act the city's creditors could not do for it under execution and garnishment proceedings.

Powers—Express and Implied—Repeal by Implication.—The Supreme Court of Iowa in *Van Eaton* v. *Town of Sidney*, 231 N. W. 475 (1930) had occasion to apply the elementary principles that municipal corporations have only those powers that are expressly granted or those that are necessarily or fairly implied therefrom or are incidental or essential to the declared purposes of the corporation, not simply convenient but indispensable, and that the exercise of any given power is necessarily limited by a legislative direction as to the method of its exercise. The Iowa statutes give to cities and towns the "power to purchase, establish, erect, maintain, and operate within or without their corporate limits, . . . electric light or power plants, with all the necessary poles, wires . . . machinery, apparatus, and other requisites of said works or plants" (Code sec. 1627).

This power in an individual case is to be exercised subject to the approval of the local electorate and when a majority of the voters have declared in favor of the purchase or erection of an electric light plant, the municipality may "issue bonds for the payment of the cost of establishing the same, including the cost of land condemned on which to locate them."

In the instant case, the town submitted to the electors a project to purchase the necessary equipment for such a purpose to be paid for solely from the net revenues to be derived from the operation of the plant; the plant and equipment to be mortgaged or pledged to the vendors to secure the agreed price to be paid. In no event was there to be any obligation upon the town to pay the moneys thus expended by means of bonds, taxation or by any kind of assessment against the taxable property of the town. Upon adoption of this proposition, the town in 1925 entered into a contract to purchase electrical machinery and equipment of a value in excess of fifty thousand dollars in strict compliance with the limitations of the order of approval and the ordinances enacted to carry out the plan.

The sole question before the court was whether the contract in question was valid. There would be no doubt of its validity and that no indebtedness would be created by it, provided the legislature had expressly or impliedly conferred upon towns the power to purchase and finance electric light plants in this way. The supreme court of the state in affirming the decision of the lower court adjudging the contract invalid, pointed out that while the usual method of paying for such a plant by taxation would not be limited by a power to issue bonds therefor, no express power to purchase or erect an electric plant by the method adopted had been conferred upon the municipalities of the state, and that the power given to finance such plants by bond issues negatived any implication of an implied power to do so by the method attempted.

In *Bragg* v. *Adams*, 21 S. W. (2d) 950, the Supreme Court of Arkansas holds that the grant by a later statute to the state board of health of the power to regulate hotels and inns took away any power previously existing in a municipality under the general welfare clause of its charter to license or regulate such establishments. The doctrine of the repeal of police powers by implication when a statute confers general regulatory powers covering the same field upon a state agency is now generally recognized.

A far more simple principle of the construction of municipal powers is that the same power may not be exercised by more than one municipal agency, and that when vested by statute in a given department of the city government, by necessary intendment it may not be exercised by the general legislative body of the municipality. In *S. J. Groves Sons Co.* v. *Berg, Mayor of Mt. Vernon*, 341 N. Y. Sup. 629, the Appellate Division of the Second Department applied this principle to avoid an ordinance adopted by the city council regulating the hours of blasting, upon the ground that the exercise of such power was committed to the local board of health by the charter. The principle of this latter decision is always to be applied whenever the delegation of the exercise of any power of the city is expressly vested in a special officer or in a particular committee or department.

PUBLIC UTILITIES

EDITED BY JOHN BAUER

Director, American Public Utilities Bureau

Disparity Between Electric Production Costs and Household Rates.—Anyone familiar with electric power companies is acquainted with the disparities between production costs and rates, the wide spread between rates charged to various classes of consumers, and particularly the high rates that fall upon the mass of household users. These great differences challenge the reasonableness of existing rate structures. They require thorough reconsideration of rates not only in the interest of the consuming public, but of the electric industry itself.

I have before me the 1929 statement of a public utility company which operates through typical southeastern territory, without serving any large city. Its total production costs amounted to $655,718, of which $262,809 was for current purchased, and thus included full costs of generation. The total electricity sold was 367,407,011 kwh. The production costs thus amounted to less than 2 mills per kwh. If to this figure were added depreciation, taxes, and interest for generating plant operated by the company, the total overall production cost would not exceed 5 mills per kwh. Including transmission costs, with maintenance, depreciation and interest on the lines, the aggregate cost per kwh. up to the point of distribution would not reach one cent per kwh.

As to rates, by far the largest class of consumption was commercial power—268,543,017 kwh., or about 73 per cent of the total sales. It provided $4,164,559 gross revenues, or about 50 per cent of the total electric revenues. The average rate received by the company for this business was 1.5 cents per kwh., which includes, of course, higher rates for the smaller users, and lower rates for the larger. This average, however, furnishes but a moderate margin above the overall cost of generation and transmission.

The next largest group was residential and commercial lighting, which amounted to 45,497,823 kwh., and produced $3,249,499 gross revenues, at an average rate of 7.2 cents per kwh. Note, first, the striking difference between this average rate and the base production and transmission cost of less than 1 cent per kwh., and, second, the difference between the average of 7.2 cents for residential and commercial customers and the 1.5 cents average for commercial power.

SPREAD IN RATES

But the average of 7.5 cents paid by residential and commercial users consists of a wide range of rate elements. The ordinary domestic customer, using electricity for lighting and common appliances, pays 10 cents per kwh. A special schedule does make provisions for lower rates to stimulate larger consumption. For electric water heating or cooking, a rate of 2 cents per kwh. is available after the payment of $2.40 per month as a fixed charge, and after the consumption of 200 kwh. at 3 cents per kwh. Thus, the large domestic users do reach a low rate, which stands in striking contrast against the 10-cent rate for the ordinary home user; a ratio of 5:1.

We are presenting these figures not because they are extraordinary, but because they are rather typical, and the rates are probably more favorable to small users than prevail in most localities outside of large cities. Note the striking disparities. There is, first, the great difference between base production and transmission, and the costs beyond. Suppose we allow 1 cent per kwh. for base costs, the total would be $3,674,070, against $8,401,180 total electric revenues. The public thus paid $4,727,110 for distribution. The question arises whether this is not excessive, and whether distribution costs generally throughout the country have not expanded unduly. Base costs are mostly down to a low and highly economical level. But our impression is that the other costs have not been kept to rigid economic standards. Here, we believe, is the realm where reduction in costs should be made, and where active economy can be exercised to the advantage of the industry and the public at large.

We have pointed out repeatedly that the realm of distribution—beyond generation and transmission—will be found to be the field for possible effective municipal ownership and operation. Unless the companies do cut distribution costs to the minimum, they will invite the establishment of municipal ownership of distribution. The municipalities would be able to effect economies through various coördinations, through keeping down salaries, and particularly through limiting the distribution properties. Can and will the companies prevent this latest municipal competition?

Pyramiding Costs on Small Consumers

The gross discrepancy between high domestic rates and low base costs is due in large measure also to the fact that the various other costs are pyramided upon the small household users. This applies not only to ordinary operation, commercial and general expenses, but also to taxes and return on distribution properties. These costs are allocated but slightly upon the lower rate brackets, and are loaded heavily upon the small users. There is need not only for rigid economy and reduction in such costs, but thorough re-examination as to their allocation to different classes of users.

The point of view just presented was brought forward rather strikingly during the recent World Power Conference in Berlin, by the American ambassador, Frederick M. Sackett. He was a former electric utility man, but has been far and long enough removed from the American scene to acquire a proper perspective as to what is basically wrong. His address called attention to the glaring discrepancies to which we have referred, and challenged the industry to remedy the conditions to which he called attention.

Fortunately, the effort of Mr. Samuel Insull, perhaps the best known American public utility magnate, to edit or suppress Mr. Sackett's address, gave the remarks special news value, so they were spread vividly before the American public. There was not only the contrast in costs and rates, but the sharper contrast of personalities and their attitude to public matters. We present some salient parts of Mr. Sackett's address, which ought to be pasted in every manager's and magnate's office, to keep pointing the way to convey the benefits of low production and distribution costs to the mass of small users!

> The growth and extension of the use of mechanical power is already the marvel of the scientific age through which the world is passing. There is no more direct aid to material progress than placing the facilities of electricity at the easy disposition of a people and rendering its most widespread use economically possible.
>
> *Cost and availability to the consumer are, therefore, the goals to be sought. . . .*
>
> It is a natural and proper function of such conferences as this to herald to the world the great achievements of the recent past. One finds that the marvelous growth of the power business and its increasing mechanical perfection has fired the imagination of many speakers. Each new invention or improvement has been enthusiastically described. The fact that we are dealing with the one great industry whose product is cheaper today than in pre-war times is stressed as proof of efficiency in management and operation until the layman is constrained to marvel at the perfection of the service wrought.
>
> It is equally true, however, that one of the primary reasons for convening such a conference is to discuss and consider constructive criticisms in the field of its interests. As one who has shared the responsibilities of the early development of power service and has retained an interest in its welfare, I venture a suggestion in the hope of contributing to the betterment of this industry of power supply. To state the point concisely, *I know of no other manufacturing industry where the sale price of the product to the great mass of the consumers is 15 times the actual cost of production of the article sold.*
>
> My purpose is to sharply define a weakness that calls for the keenest thought in your deliberations. *Until the power business is brought in line with other industries in the relationship of its cost of production to the price paid by the consumer of the product, there can be little justification for the thought that this great power industry is rapidly approaching its perfection.*
>
> Whether electric current is produced from water power, with its stand-by plants, or by the modern steam units, you have by constant improvement driven down the bus bar cost of electricity until it can be fairly said that the economic station produces current at from 3 to 4/10ths of a cent a kilowatt hour. In most of the great centers of population, in America at least, the consumers pay for household service around 6 cents per kilowatt, 15 to 20 times its cost. Such a discrepancy between production cost and delivery price gives a wide field for the studies of the distribution engineer.
>
> It is little satisfaction to the great mass of household consumers to point to the high construction costs required to serve the small consumer—to urge the large reduction in price that is made for quantity service through a single installation—or even to call the roll of the reductions in delivered price that have followed through the years. *The fact remains that there is an extraordinary margin between cost and sales price, to the reduction of which science may apply itself with the greatest benefit to the people as a whole.*
>
> Perhaps the premises of this simple statement may be disputed. It may be argued that no such discrepancy exists. It may be excused or explained with the greatest ingenuity; but you who

are in this business should remember that among the users of your product—the class which is by far the greatest in number and the class which constitutes the basis of that public opinion which in the end judges and controls public utilities—is that vast body of men who every month pay a 6-cent charge in their households for an article which, we are constantly told, is being produced by efficient electric stations for three to four-tenths a cent. Such consumers naturally ask why? The explanation temporarily may appease them, but judgment and action are merely suspended as they look to conferences such as these to recognize the deficiencies in the progress of the art, and apply the correctives of science. . . .

POWER INDUSTRY SHORT OF PERFECTION

No one can scan the records of the rapidly lowered costs of producing electric power without amazement at the results achieved. There may still be progress to be made in lower producing costs, but after all the margin on which to work is barely a fifth of a cent a kilowatt-hour, which, when achieved by science and translated to the consumers' account, will be too small even to be of serious moment. *On the other hand, while distribution of electric power has been greatly improved both in quality and cost, there remains a margin between manufacture and sale so wide that in distribution methods and economies alone lie the actual hope of reaching the goals we have set of "cost and availability"*—goals on the achievement of which the greatest value of these conferences must be premised and which make the real appeal to public opinion.

I have taken occasion to draw this parallel between costs and sales prices with a view to a situation which should claim the attention of utility interests in America, where power development is almost exclusively in private hands. There exists in America a rapidly-growing body of public opinion, led by laymen of great ability, which is demanding governmental competition in rates with private power enterprise. So drastic is the demand that it vocalizes the thought that all water-power sources should be Government-owned and operated. This public clamor cites with enthusiasm the delivered costs of certain municipally-owned systems in neighboring countries as proof of the iniquity of charges for electricity by our privately-operated plants.

The conclusion is drawn therefrom that if our National Government owned and operated the power sites upon its navigable rivers, interconnected as they could be as one mighty system—the benefits of lowered costs would readily be transferred to the consuming public. There is no precedent on which this theory can be based, because our Federal Government has at no time engaged in the manufacture and sale of power. Only by experiment can public opinion be convinced as to the truth or falsity of the claims. Such an experiment as is being demanded involves a complete change in governmental policy in the methods of using and disposing of our natural resources of potential power. It would change our national policies because it draws the Government on a large scale as an active competitor with private initiative.

The parallel just drawn showing the proportion of 15 to 1 between cost of the product and the sale price to the consumer would seem to indicate that the experiment of reducing costs by Government operation can be fully tried by limiting it to the operation of any modern steam plant with its distribution system; a complete experiment need not involve the subversive principle that the Government should own and operate the water-power sources for producing electricity.

COUNTERPART IN NO OTHER INDUSTRY

No amount of improvement in production costs, by any agency, promises economies of sufficient magnitude to permit the translation of benefits to purchasers, whereas all the virtues claimed by the advocates of Government operation can be convincingly determined through an effort in reducing costs of distribution. If this movement generally seeks an opportunity of securing lower rates for the small consumer and not solely subversive changes antagonistic to present investments in the public utility field the necessary actual experiment lies readily at hand. In the present state of the art the genuine effort should be encouraged.

It is the danger of the broader demand rising rapidly in America, and perhaps in other lands, that gives value to the suggestion that industrial leaders aided by science strive with renewed effort to conquer this ratio of 15 to 1 which prevails in the very business which this great conference represents, but which finds no counterpart in any other important industry.

One may not agree with Ambassador Sackett as to the assumed subversive influence of extending government ownership to water power development, but he does point out clearly that, from the standpoint of production, comparatively little can be gained for the ordinary household, and that the reduction in costs must come in the field of distribution,—and, we add, in more equitable allocation of costs between small and large users.

Reduce Distribution Costs

How bring about the needed readjustment? We may be unduly optimistic, but we believe that the shift is under way. Mr. Sackett's address is the best of signs, and leaders in the industry largely agree with him, that distribution costs and domestic rates must come down, for the benefit of the business as well as in fairness to domestic users. The desired transition, however, may be greatly expedited by energetic action of the commissions, the improvement in policies and methods of rate control, active participation by state and municipal officials, and particularly by permitting every municipality to establish its own electric system.

The most powerful factor in the transformation is the present existence of a goodly number of successful municipal plants which have kept distribution costs down and have maintained much lower domestic rates than prevail generally among private companies. The experience of Jamestown, New York, which we surveyed recently in this Department, cannot be laughed off. The plant has more than paid its way, and its general domestic rate is 4 cents per kwh., dropping to 3.25 cents after the first 50 kwh. per month, and then to 2.5 cents after the first 100 kwh. per month. Where is there a company schedule which, in a city of 60,000 people, makes electricity so readily available to the masses of people? Can the companies meet this standard? If not, they will eventually be forced to abdicate the field of distribution, for it is there, not in production, that the Jamestown municipal system stands far ahead of most private companies.

During the next few months we expect to review the experience and practice of the leading municipal electric plants—not to theorize on municipal ownership, but to show what standards must be attained by private companies to continue in possession of electric distribution and to head off municipal ownership movements.

MUNICIPAL ACTIVITIES ABROAD

EDITED BY ROWLAND A. EGGER

Princeton University

Administrative Reorganization in Roumania.—Within the last eight months the administrative organization, both central and local, of the Kingdom of Roumania, has undergone a rearrangement and reconstitution which, for comprehensiveness and thoroughness, is unprecedented in recent reform movements. The law adopted late in 1929, and under the terms of which reorganization has recently been completed, was drafted chiefly by two university professors—Negulesco, of the University of Bucharest, and Alexiano, of the University of Cernauti—and, stranger to relate, accepted substantially *in toto* by the Roumanian Parliament. Its most important features may be summarized as follows:

CENTRAL ADMINISTRATION

1. The general regulation of the organization of all ministries according to principles applicable to their common characteristics.

2. The reduction of the number of ministries, retaining only the Interior, Foreign Affairs, Finance, Justice, Education, Army, Agriculture and Lands, Industry and Commerce, Public Works and Communications, Labor, Safety and Social Assurance.

3. The simplification of administrative procedure by the exact statement of the powers and responsibilities of functionaries.[1]

4. Internal rationalization with reference to duplication of functions and functionaries.[2]

5. The abolition of all administrative commissions, and the reallocation of their functions to the appropriate ministry.

6. The deconcentration of the central administration. Seven ministerial directorates are established under the law for the regions of Bucharest, Cernovitz, Kichinau, Clouj, Craiova, Jassy, and Temichoara. These regions are not legislative areas, and have no representative bodies. They are headed by local ministerial directors, who are under-secretaries of state. The local administrative services of all ministries except, of course, Foreign Affairs, Justice, and Army are deconcentrated for these regions.

7. The reëstablishment of the old administrative hierarchy.

8. The organization of the Presidency of the Council of Ministers, to assure the coördination of public services.

9. The division of departments, or ministries, into directorates, directorates into services, services into sections, and sections into bureaus.

10. The creation of a "staff" legal department, attached to the Ministry of Justice.

11. The creation of a permanent disciplinary commission for public functionaries of the central administration, attached to the Presidency of the Council.

LOCAL ADMINISTRATION

Even more drastic are the reforms effected in local administrative organization:

1. The law grants virtual home rule to the municipalities of the kingdom. The powers of the centrally appointed prefect are those of general oversight and surveillance. His plenary powers are entirely negligible.

2. The village is established as the basic unit of local administration. Whereas, the rural commune, created by the law of 1925, was governed by representatives of villages, its creation was felt to be artificial and unsuited to purposes of local administration. Under the new law, each village has its own administrative machinery, and the rural commune is considered only an association of villages.

3. Villages of less than 600 inhabitants are permitted to establish direct administration, with an organization virtually identical with the old New England town. There are 7,550 villages in Roumania falling under this section of the law.

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[1] This definition of duties it is understood will not extend to minor functionaries, or those not exercising considerable discretionary authority.

[2] Prior to rationalization the government of Roumania employed approximately 3 per cent of the country's total population. The figures for several other countries are very interesting: Bulgaria, 2.2; Switzerland, 1.7; Poland, 1.5; Holland, 1.1; Italy, 0.53; Prussia, 0.42; Japan, 0.16.

REGIONALISM

The kingdom, under the terms of the law, is divided into seven regions of administration, corresponding with the areas of the seven ministerial directorates mentioned above. The administrative organs of the regions are:

1. The Council of the General Association of Departments, as the regions are designated. This body is the regional legislature, and is composed of representatives of the departmental councils (areas of prefecture) and municipalities, according to a proportion established by law based indirectly upon population.

2. The administrative organization proper is headed by the president, two vice-presidents, and a secretary, with such added personnel as its administrative functions may, in their development, demand.

The region is a juristic person, and its functions are unlimited by the law. It is intended to serve a double purpose; as a representative of departmental unions it will assist in guiding the processes, and determining the degree, of central devolution, and, on the other hand, will deal with those problems which, in the opinion of the Regional Council, are of common interest and importance throughout the region. Except for the absence of functional definition and limitation, the law is not appreciably dissimilar in its basic idea to the recently proposed Regional District Act of New Jersey.[1]

The remainder of the law relates chiefly to state trading and public utilities. It enforces an actuarial basis of accounting and finance upon such enterprises, and appreciably enhances state control along all lines. The law also establishes adequate budget procedure for the central government, and creates a bureau of the budget attached to the Finance Ministry.

The section of the law relating to the creation of regions excited considerable comment in Parliament, and was opposed as unconstitutional in view of Article I of the Constitution, which proclaims the kingdom a national state, unitary, and indivisible. The point might have been argued with equal force from the extension of autonomy to municipalities which the law provides. Although the point is entirely theoretical, it is important to observe that the criterion of federalism, as Dr. Robert Treat Crane once trenchantly reminded the writer, is whether or not the functions divided are those appropriately appertaining to a central government. And only in an advisory capacity is the region which this act establishes contemplated to function in connection with the central government. Its organic disjunction is complete. Its primary concerns are those larger matters of local interest, insusceptible to treatment by individual local authorities.

The organization set up by the new law is, generally speaking, entirely in accord with the latest scientific thought in the matter of administrative structural arrangement. But good administration is more than good organization. There are numbers of questions and difficulties which offer themselves even to the most casual observer. What of the absence of either a thoroughgoing merit system of civil service appointments or a high tradition of public service which secures competent and conscientious public servants? What about the protection of minorities in Roumania under the devolution provided in the act?

The results achieved in Roumania will, however, be closely observed if for no other reason than that the administrative organization, at least in part, represents the principles of the expert largely uncontaminated, or uncorrected, by the compromises of political necessity. At the same time, if they do not immediately usher in the administrative millennium, this probably will not constitute a very damaging comment upon the principles themselves.—*Revue Internationale des Sciences Administratives*, June, 1930.

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Woolwich's Housing Estate.—In addition to the extensive housing projects engaged in by the London County Council, the metropolitan boroughs of the Administrative County of London are also authorized by law to provide for the proper housing of their inhabitants. In pursuance of this function the metropolitan borough of Woolwich has constructed one of the most progressive housing estates to be observed in the metropolitan area.

The question of housing estates versus reconstruction and rehabilitation in already built-up areas was discussed in these columns some months ago. It should be mentioned that in a number of boroughs in London the problem is only academic; new areas of habitation must be provided if the increasing congestion is adequately to be met. It is little wonder that in industrial Woolwich, the westernmost of the boroughs, this problem should be felt with greatest acuteness. Under the leadership of Sir Arthur Bryceson, town clerk of Woolwich, one of the "grand old men" of the English local government service, the problem of public housing has been met in decisive and masterful fashion.

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[1] For the New Jersey Act see *The American City*, August, 1930, p. 115.

Upon the occasion of the completion of the last structure on the estate the Eltham Housing Estate was formally opened by the Hon. Arthur Greenwood, Labor minister of health, late last year. This estate, comprising some 334 acres (approximately one-half as large as the City of London), was acquired by the borough council in 1919. Under the 1920 Housing Act, the borough constructed 448 houses on this estate. Under the 1923 act, 60 more structures were erected, while under the 1924 statute 1,678, buildings completing the estate, were added. The total number of houses on the estate is 2,186. The houses are classified as follows:

Class	*No. Houses*	*Net Rent (wk.)*
"A"—Living room and 3 bedrooms.	1,446	$2.60
"B"—Living room, parlor and 3 bedrooms..........	698	$3.00
"C"—Living room, parlor and 4 bedrooms..........	42	$3.35

Each house contains, in addition, a bath and kitchen.

The streets and houses on the estate are lighted entirely by electricity. Except for slow combustion stoves in the kitchens, 847 of the houses are "all electric." The electrical equipment includes heating plugs, radiators, and a wash boiler. There are no chimneys or flues in the houses except for the combustion stove. Electric cookers may be rented from the borough electricity department for 14 cents a week; electric irons are rented for 2 cents a week. The charges for electricity are extremely low—30 cents a week flat rate plus 1 cent a unit for all current consumed. Electric radiators and other equipment to a value of about twenty dollars are supplied to tenants payable on the installment plan at 12 cents a week. It should be mentioned, in this connection, that the municipal electricity supply for Woolwich is publicly-owned and operated, and is one of England's model generating plants.

There are four London County Council schools on the estate, two of which are already completed. There is a resident doctor and two surgeries are maintained. A site at the center of the estate has been set aside for a welfare center shortly to be erected. This has become necessary because of the increased attendance upon the council's maternity and child welfare service, which numbers about 40,000 at the present time.

The architect for the estate is John Sutcliffe, borough engineer. Many of the houses have been built by direct labor. The architectural layout is, on the whole, pleasing, and Mr. Sutcliffe has avoided the drab monotony which is often consequent upon wholesale residential construction.

It should be mentioned that negotiations are at present under way for the acquisition of additional adjacent lands, and the area of the estate is contemplated virtually to be doubled within the next decade. The Eltham estate is significant for many reasons, not least of which is as an indication of the vitality and sensitiveness of the London boroughs with reference to a vexing problem which might have been left entirely to the County Council. There can be no doubt but that "borough consciousness," however little it may mean elsewhere, denotes something very substantial at least in certain quarters of the city on the Thames.—*The Eltham Housing Estate* (brochure).

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The British Institute.—The 1930 summer meeting of the British Institute of Public Administration, convened at New College, Oxford, from July 11 to 14, last, was counted as one of the most delightful sessions of that organization.

While all of the papers prepared for the conference were most acceptable, three in particular provoked extraordinary comment and discussion. The session on "The Relation of the Official and His Authority" was of particular interest from an American viewpoint. It appears that the delicacy of the overtones and nuances in the Macauleyesque waltz which goes on between the official of the local government service and his council is equalled only by the indefiniteness which marks the power and authority of each. To a literalist, bred in the managerial tradition, the arrangement seems somewhat akin to companionate marriage, with the trial element uppermost. The Britishers were slightly shocked by the clarity with which the I. C. M. A., in its familiar protocol, outlined the nature of this relationship, and were almost skeptical when former Manager Brownlow indicated the broad prerogatives which an American manager is accorded and expected to exercise. Concerning another aspect of this question, the opinion was expressed by several councilors present that successful administration was in inverse proportion to the gravity with which council committees regarded their directorial powers, particularly in matters of technical administration.

The problem of filling higher posts in the service was also discussed. Shall higher posts be filled by appointment from without or promotion from within? The conference was in substantial agreement that the entire question resolved itself, in specific cases, to the evaluation of the efficiency element which might be foremost in appointments from outside, and the morale of the service which naturally would prompt internal promotion. The open-mindedness of what was essentially a gathering of bureaucrats on this question was most stimulating. It was agreed that a pronouncement of a general rule in the matter was impossible, and that the decision in particular instances must be left to the pragmatic spirit which is, self-confessedly, an extremely important element in the English psychology.

Sir Henry Bunbury, accountant-general of the Post Office, in a very charming essay on "Rationalization," presented another of the really important problems in present-day administration. Rationalization, he reminded the Institute, is essentially an attitude of mind, a point of view, which is an indispensable antecedent to successful administrative reorganization. Rationalization is basically what it has always been—the elimination of certain classes of wastes. There is no reason to think that public administration cannot make decisive gains from the utilization of job analyses, cost accounting, and similar instruments by which industry generally has increased its efficiency.

The single regrettable feature of the Institute was that the limits of its session did not permit this latter topic to be pursued into quarters in which many of the slightly liberal Socialists present might have defined their position with regard to rationalization which increases unemployment.

American visitors to the Institute who participated in its discussions included Dr. John A. Fairlie, Mr. and Mrs. Louis Brownlow, and Mr. Clinton Rogers Woodruff, and the editor of this department.

The papers discussed at this meeting appeared in the July issue of *Public Administration*, the official organ of the Institute.

A New Proposal for French Regionalism.—The assiduity with which proposals for regionalization have been introduced in the French Deputies and Senate for the past several decades would seem to indicate that, if only from the operation of the law of averages, ultimately something substantive may emerge from that architectural monstrosity which stands, paradoxically enough, across from the *Place de la Concorde.*

The latest reformative measure emanates from M. Bordeaux, *Senateur.* M. *le Senateur* is concerned over the increasing powers which the prefects of the central government insidiously have gathered unto themselves. He lapses into exclamation points over "les excès de zèle des préfets de la République," and sounds the ominous warning that even as a similar excess was one of the contributory factors in the downfall of the Empire, the Republic may not expect to pursue this policy without serious difficulty.

Behind this excited tirade of M. Bordeaux there is a very considerable element of truth. Leon Bourgeois almost a half-century ago called attention to the progressive devitalization of French communal political life, due to the increased assumption of responsibility by the central ministries and legislature. There is, furthermore, every indication that, whatever purpose the myriads of small communes in France once served, they have long since ceased to have any reality as social or economic communities, and that the development of regional facilities, based upon the growth of a regional domestic life and economy, has been hampered by the absence of any legislation save the abortive *syndicats* statutes, to the decided detriment of the communes themselves.

The remedy of *le Senateur* is about as simple, and quite as primitive, as the recent Republican tariff. He proposes the immediate reconstitution of all the *arrondissements* existing prior to the decree of September 10, 1926, as juristic persons. Each *arrondissement* is to be a syndicate of the communes within its circumscription. This *arrondissement* is to be the area of prefecture. The regional budget is to be prepared by the prefect and voted by the council, with apparently no change in the prefect's present powers in connection with the insertion of items. As currently, the prefect is to be the chief executive and administrative officer of the region. The powers of the *arrondissement* are not mentioned, but it seems assumed that it shall be able to perform any functions which the council, composed of representatives of the communes, shall confer upon it in accordance with the laws and decrees of the central government.

Less important to the substantive portion of the act is that section which provides for adequate mayoral salaries. It is also not quite clear precisely what the creation of a special decorative order for local officials and politicians has to do with the project.

This department expressed considerable skepticism concerning the proposals of last year for which M. Tardieu promised immediate and triumphant enactment. It is probable that this measure will receive no more illustrious treatment than suppression in the committees of the Senate or Deputies. Certainly, far more scientifically drafted, far-reaching, and progressive measures on the same topic have disappeared in less ceremonious fashion.—*Revue Municipale*, July, 1930.

NOTES AND EVENTS

EDITED BY H. W. DODDS

A Correction.—On page 284 of our May number we stated that the committee appointed to consider a five-year budget for Pembroke, Massachusetts, "appears to have issued no report." This assumption was in error. The committee did issue a report as of February, 1930.

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Professor W. B. Munro to Remain in California.—Professor William B. Munro, who has been teaching municipal government at Harvard for the past twenty-six years, has retired from the service of that university and has become an all-the-year resident of Pasadena, California, where he has been spending a portion of each winter since 1920. Dr. Munro hopes to spend the next few years in the revision of his various textbooks, but will also be associated with the California Institute of Technology, where he has been since 1925 a member of the executive council. The courses in municipal government at Harvard are being given this year by Dean A. C. Hanford and Dr. Miller McClintock.

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A New Course in City Planning will be instituted this fall in the evening session of the School of Business of the College of the City of New York by Wayne Heydecker, associate director of the Regional Plan Association.

The course will be in the nature of a study of the elements of the city plan and the technique of city planning practice. It will consider city planning powers, preparation of plans for street layout, rapid transit lines, location of buildings, zoning regulations, and systems of financing.

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Dr. Wallace C. Murphy of the Political Science Department of West Virginia University has been granted leave of absence to make a survey of local and county government in Texas under the auspices of the University of Texas. The work has been financed by the Laura Spelman Rockefeller Foundation. Local government is to be studied in its political, economic and sociological aspects.

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Advisory Council to the Mayor Organized in Milwaukee.—An Advisory Council to the Mayor, to advise with him on questions of public and of city-wide interest which may from time to time engage the attention of citizens and which may call for governmental action, has been organized in Milwaukee. It had its first meeting on March 7 of this year, committees are studying civic problems and the work of the council is under way.

The council was organized by the Milwaukee Civic Alliance at the request of Mayor Daniel W. Hoan. The constituent organizations of the Milwaukee Civic Alliance (service and civic clubs) and of the Associated Advancement Association of Milwaukee are each entitled to one membership in the Advisory Council. Other civic organizations whose fundamental purpose or nature permits them to coöperate with the community at large without political, partisan or selfish objective are also permitted to appoint or elect one member to the council. At present the membership is approximately thirty.

An executive board determines the pertinence of subjects for action by the Advisory Council, subject, however, to appeal to the council itself.

Meetings are held monthly.

LEO TIEFENTHALER.

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More About the Indiana Billboard Decision.—An Indiana act of July 27, 1920,[1] authorizes the board of park commissioners of cities of the first class (Indianapolis only) to "regulate, restrict and forbid" the location of buildings or devices within 500 feet of any park or boulevard, which the board deems to be "injurious to the public health, safety, morals or general welfare." But "no lawful business being conducted upon such adjacent lands at the time of acquiring the same shall be prohibited or abated without a fair valuation and due and full compensation."

On July 8, 1922, the Indianapolis board of park commissioners enacted an ordinance prohibiting the erection or maintenance of any billboard or advertising sign within 500 feet of any park and ordered the removal of all billboards and advertising signs which were located within 500 feet of any park at the time of the passage of the ordinance.

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[1] Acts 1920, p. 105.

The General Outdoor Advertising Company alleged that this ordinance is invalid because (1) it failed to make provision to compensate the company for the destruction of its business; (2) it imposed unusual, unnecessary and oppressive restrictions and prohibitions upon its business; (3) the law of 1920 and the ordinance of 1922 are both invalid as being in violation of Sec. 1, Art. 21, of the state constitution concerning the taking of property without just compensation and the 14th amendment of the U. S. Constitution relative to taking property without due process of law.

In *General Outdoor Advertising Company* v. *City of Indianapolis*, the supreme court sustained the law and partly sustained the ordinance. In its opinion, the court held that:

1. The courts will not interfere with the exercise of the police power by a municipal corporation unless there has been a clear abuse of discretion or unless the law or ordinance by virtue of which the action is taken is unconstitutional.

2. Under the police power, municipal corporations, either by implied or express statutory authority, may limit the location of billboards if the regulation has a reasonable tendency to protect the public safety, health, morals or general welfare and does not unnecessarily invade private property rights.

3. Under a liberalized construction of the general welfare purposes of state and federal constitutions there is a trend to foster an æsthetic and cultural side of municipal development—to prevent a thing that offends the sense of sight in the same manner as a thing that offends the senses of hearing and smelling, but citizens must not be compelled to give up rights in property solely for the attainment of æsthetic objects.

4. As social relations become more complex, restrictions on individual rights become more common. Restrictions which years ago would have been deemed intolerable and in violation of the property owners' constitutional rights are now desirable and necessary.

5. Inasmuch as the law provides for compensation, billboards which were erected prior to the passage of the ordinance cannot be abated unless compensation is paid therefor.

6. Neither the law nor the ordinance violates any provision of the state or the federal constitution.

CHARLES KETTLEBOROUGH.

Detroit's Recall Election.—Detroit's laboratory in democracy furnished another episode to students of government in its emergency choice of Judge Frank Murphy as mayor at the special recall election September 9. Mayor Charles Bowles, who assumed office last January but was recalled July 22 by a majority of 31,000, ran second in the list. George Engel, candidate of the progressive forces, but without organization, though vigorously touted by the *Free Press* and the *News*, was a close third. John W. Smith, former mayor, ran fourth in a field of four principal candidates.

Time will tell the real results, but the immediate interpretations are of interest. Bowles has been for six years the political "hero" of Detroit anti-Catholics—a rather negative personality whose best appearance is on the political stump and who enjoys nothing more than making campaign speeches. After being twice defeated for nomination to the mayoralty, and running once on "stickers," he was elected last November in a vote of protest against John W. Smith, former mayor. The mistakes of his administration became apparent early last spring and the recall was voted, as stated.

Michigan's recall provisions are a compromise, hence in this case the recalled official automatically became a candidate against the field in the special election, despite the adverse vote of July 22. After weeks of controversy and efforts of citizens and civic organizations by mutual understanding to limit the field of candidates against Bowles in order that an even break might be secured, the political ambitions of various candidates and their friends resulted in the field of seven. Under pressure, three of the seven withdrew before the eleventh hour and Bowles ran against Murphy, Smith and Engel. The Murphy candidacy was initiated by the Hearst organ, the *Times*. As a judge of the Recorder's Court since 1924, Murphy developed political strength which was capitalized by himself and the *Times* under the peculiar conditions indicated.

Engel has served Detroit during the past twenty years in various appointive positions, including city controller, commissioner of public works and the civil service commission. He was recognized as an experienced, capable official, though politically colorless and therefore a poor bet under the conditions prevailing. Murphy, on the other hand, like Bowles, is a prize platform orator who was followed by thousands of acclaiming worshippers during the short campaign.

While the *News* and the *Free Press* furnished most of the Engel campaign by their excessive publicity, the *Times* did the same for Mr. Murphy. In a split field the popular candidate got a narrow plurality in a vote of about three-fifths of the total registration.

Murphy's victory is flavored with a social appeal similar to that of Bryan in 1896 and "Al" Smith in 1928. The Murphy-Hearst campaign sought to create the impression of "Big Business" oppressing the people. Murphy's entry no doubt accounts for the surprising vote of Bowles, whose stock had receded rapidly after the recall election. Charges of underworld connections and gang support were frequently made, but the public evidently is still much in the dark as to just where the connection is.

W. P. Lovett.

Detroit Citizens' League.

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Second Japanese Conference on Municipal Problems.—When the Tokyo Institute of Municipal Research six years ago began the publication of its monthly magazine, *Municipal Problems,* the significance of the venture was described in the following words:

"In Japan, where a process of industrialization and commercialization is rapidly taking place, municipal problems constitute the most important social, as well as the most vital national problems. While social consciousness is not yet aroused to a realization of the grave importance of the problems directly relating to municipalities, there is an acceleration of social dangers in municipal affairs, far surpassing those of other civilized countries. This fact alone indicates an urgent need for a scientific study of municipal problems in Japan more than in any other country in the world."

As a step to the realization of this objective, the Osaka Civic Association called a First National Conference on Municipal Problems in 1927. The Second National Conference, which is to be held in October, was summoned by the Tokyo Institute of Municipal Research. Governmental specialists, civic organizations, municipal officials and interested private individuals have been invited. The program has been carefully prepared and it is earnestly hoped that the conference will mark a new era in coöperative endeavor of municipalities for meeting their mutual problems.

The subjects covered in the three-day program are as follows:

1. Control and supervision of the urban communities contiguous to a large city.
2. Control and supervision of street transportation.
3. Special assessments.

Koichi Hasegawa.

National Institute of Public Administration.

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Crisp County's (Ga.) Publicly-Owned Electric Light and Power System in Contest with Georgia Power Company.—Something over seven years ago, some public-spirited men in Crisp County, Georgia, dreamed and planned to harness the Flint River in their county. The county commissioners worked on the proposition of a county-owned power plant and distributing system and finally succeeded in establishing such a system. The rates existing at the time for light and power they felt were high. They had great obstacles to overcome. For instance, our state law says, "No county or municipality may bond itself for more than 7 per cent of the taxable property values."

The commissioners had to put the project to the people. The people had to elect men to the legislature to grant the county permission to bond itself for sufficient funds to construct the plant. While this was going on the Georgia Power Company twice reduced its rates.

In 1928 the Cordele city commission and the Crisp County commissioners made an offer to enter into a discussion of price and terms to take over by purchase the Georgia Power Company's lines of transmission and their holdings in the county, to which the company declined to give any consideration. The $1,250,000 county plant was opened August 1, 1930, the rates being 10 to 15 per cent lower than the Georgia Power Company's rate for the same service. The company at once reduced its rates to meet the county's, then a day or so later issued an announcement of a 50 per cent cut from the then existing schedule, which, inclusive of its service charge, made the company's rates about 15 per cent less than those of the Crisp County plant.

Instead of pleasing the residents of the county as they expected, the company's reduction did just the reverse. It also stimulated representatives from other communities served by the Georgia Power Company, to ask why Cordele and Crisp County should be so favored.

The Georgia public service commission has called upon the company to show cause why other cities served by the Georgia Power Company should not receive the same rates. Before the hearing was held the Power Company filed a petition for an injunction to prevent such an inquiry. It assumes the position that the Georgia Power Company had a prior right to serve Crisp County; that the municipally-owned plant was an act of confiscation, that the Georgia service commission has only the right to fix maximum rates, and has no right to inquire as to reason or cause for low rates in certain localities.

Mrs. J. D. Swaggerty.

Atlanta League of Women Voters.

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City Managers in Niagara Falls.—Niagara Falls, N. Y., population 1930, 76,000, a manufacturing center of no slight importance, has had city managers since 1916. Its principal interests are its electro-chemical and related power-using industries, and its tourists, who flock there to see the Falls and to visit Canada. "The tourists have gradually become less of a dominating factor, but are still a large element in our prosperity," said the editor of the *Niagara Falls Gazette*, who added, "Ours is one of the foremost industrial centers of New York State."

Niagara Falls has had three city managers in the past fourteen years. The first was Ossian E. Carr, who later became city manager of Springfield, Ohio, and more recently manager of Fort Worth, Texas. Mr. Carr came in the early part of 1916 and remained until the middle of 1918. "He was rigorous and energetic and had his own ideas as to what the functions of a city manager should be. While willing to take general directions from the council, his job, as he saw it, was to manage, carrying out the instructions of the council in his own way, and not looking to the council members for supervision of the details of his office. "This," continued the editor, "did not agree with the theory of the new mayor, who believed that the mayor and council were to do all the directing and the manager was a hired man, employed to do just as he was told." This difference of view led to Mr. Carr's leaving, and in his place was appointed Edwin Fort, an engineer from Brooklyn, N. Y., with a good record and a willingness to follow the directions of the council. He remained till the end of Mayor Whitehead's administration, and four years longer, under the next mayor. W. D. Robbins, another engineer, replaced him when a new administration came in, and is the present city manager.

The mayor and four councilmen constitute the governing body, and hold office for four years. The manager form adopted is that provided for under Plan C of the State Act permitting cities to adopt certain types of government, and does not attempt to eliminate national party lines in local elections. The nonpartisan idea came at a later date, and is found in the more recent improved charters of Cincinnati, Ohio; Rochester and New Rochelle, N. Y. The result of its omission from the charter of Niagara Falls is to make it a common occurrence for the council to change managers if the new administration is of a different complexion from the old, instead of keeping him as an experienced executive and adviser under succeeding boards of directors, as happens frequently in the case of managers in private business. Manager government, it appears, became the established form in Niagara Falls some years since, so much so that when its opponents attempted to force a return to the old mayor-council plan their proposal was decisively defeated at the election then held.

Not many months ago, the council, acting on a petition of the local railway company for an increased street car fare, voted to grant a rate of two tokens for fifteen cents in place of the old five-cent fare. This increase was opposed by the two members of the council most recently elected and stirred bitter opposition from a body of citizens including a labor group whose enmity dates back to the time when the railway company broke up the local union of employees. This group, led by a fighting lawyer named Thibodeau, unable to oust the administration in any other way, circulated petitions for an election to change the government back to the old form. If there had been provision in the charter for the use of the recall, this opposing group would have attempted to remove the objectionable council members, by forcing them to stand for election, the issue in that case being squarely joined as to the desirability of the persons involved as city officials. As it is, they are seeking to accomplish the retirement of the mayor and two councilmen by changing the entire form of government. The matter is now in the courts, and there seems to be some doubt as to its outcome. So far, the council has declined to call a special election, and seems to have the better of the controversy in its legal aspects.

Ernest S. Bradford.

GOVERNMENTAL RESEARCH ASSOCIATION NOTES

EDITED BY RUSSELL FORBES

Secretary

Recent Reports of Research Agencies.—The following reports have been received at the central library of the Association since August 1, 1930:

Civic Affairs Department, Indianapolis Chamber of Commerce:
  The Budgets and Tax Levies of the School City of Indianapolis for 1931.
The Stamford Taxpayers' Association:
  Stamford Garbage and Rubbish Incineration.

⁂

Civic Affairs Department, Indianapolis Chamber of Commerce.—The Department completed analyses of the budgets of each local unit of government for 1931 during September. It was able to work harmoniously with officials of all departments and as a result a great many of its recommendations and suggestions were accepted and written into the new budgets. Reductions from proposed levies of more than twelve cents on each one hundred dollars of assessed property were effected, amounting to more than $800,000 in taxes. The total rates in each township division of Indianapolis will be from three to twelve cents less in 1931 than in 1930. Among recommendations urged were: Centralized buying of county supplies, including the purchase of supplies for outdoor poor relief; merging of a multitude of funds in the civil city tax levy into a single fund; more rigid control in the practice of making appropriations in addition to the annual budgets; centralization of authority and responsibility over financial affairs of all civil city departments in the city controller, including merging of all accounting departments in his office; speeding up of the machinery for payment of civil city bills in order to take advantage of commercial discounts for cash payment; adoption of the school city budget on a school year basis, prior to the beginning of each school year; and resistance of taxpayers of Indianapolis against further reduction of the school city's share of the state common school fund.

The department has issued a statement showing the effect of proposed plans for state income taxation upon a number of business concerns.

⁂

Schenectady Bureau of Municipal Research.—The Bureau has revived a preliminary study of the department of assessment and taxation and is studying the advisability of urging the local adoption of a state law providing for a single-headed department of assessment and taxation in place of the present elective board of four members. A committee of prominent bureau members has been set up to aid the board committee in its work.

Conferences on the school space survey are still being held with educational authorities. It seems likely that the main premise of the Bureau's survey will be accepted and will play a vital part in future school building programs. The principal finding of the study has been that the present condition of overcrowding in the schools is a temporary one, and that after reaching the peak in a few years, school population will begin to decline.

The capital budget commission, of which the managing director of the Bureau is secretary, has continued its work on the income side of the capital budget and has drawn up tentative projections of future income which are now being discussed. The commission has also engaged in the revision of the current expenditure side of the budget and has recently been occupied with the study of revised budget estimates which have been re-submitted to the commission by department heads. The Bureau has offered its services to the commission in making a survey of the whole municipal revenue system. Members of the city council desire strongly to revise the revenue system and it is expected that substantial improvement will result in this situation.

Although the Commission is set up primarily to control municipal debt policies, it is now apparent that it will be of great assistance in pointing the way to local re-organization and economies.

The Bureau, in conjunction with the New York State Mayors' Conference is arranging for an extension of the municipal radio series so successfully inaugurated last year. The series which will be given over Station WGY, Schenectady, will have as guests many prominent municipal government authorities.

*

Stamford (Connecticut) Taxpayers' Association.—The Association has just issued the report of a study of proposed additional incinerator needs for Stamford. The report concluded that the proposed expenditure of $170,000 for new incinerator units did not appear to be necessary. In answer to the question, "What better use can be made of the present facilities?" operating suggestions were made which provided for the steady and continuous day-light delivery of refuse to the incinerator as a substitute for the present arrangement of having all deliveries made to the incinerator before the middle of the afternoon. Arguments in favor of the new incinerator were then answered. The possible preventable capital investment on the basis of the lowest bid offered, and the possible preventable additional operating expense was then computed to be $30,000 annually.

A delegation from the Association made a trip to Portland, Maine, to investigate the operation of council-manager government in that city. A bulletin has been issued which gives the expressions of some of the influential citizens of Portland with regard to the operation of council-manager government there.

STATEMENT OF THE OWNERSHIP, MANAGEMENT, CIRCULATION, ETC.,

Required by the Act of Congress of August 24, 1912,

Of NATIONAL MUNICIPAL REVIEW, published monthly at Concord, New Hampshire, for October 1, 1930.

State of New York, County of New York, SS.

Before me, a notary public, in and for the State and county aforesaid, personally appeared H. W. Dodds, who, having been duly sworn according to law, deposes and says that he is the editor of the National Municipal Review and that the following is, to the best of his knowledge and belief, a true statement of the ownership, management, etc., of the aforesaid publication for the date shown in the above caption, required by the Act of August 24, 1912, embodied in section 411, Postal Laws and Regulations, to wit:

1. That the names and addresses of the publisher, editor, managing editor, and business managers are:
   Publisher, National Municipal League, 261 Broadway, New York, N. Y.
   Editor, H. W. Dodds, 261 Broadway, New York, N. Y.
   Managing Editor, None.
   Business Managers, None.

2. That the owner is: The National Municipal Review is published by the National Municipal League, a voluntary association, incorporated in 1923. The officers of the National Municipal League are: Richard S. Childs, President; Carl H. Pforzheimer, Treasurer; Russell Forbes, Secretary.

3. That the known bondholders, mortgagees, and other security holders owning or holding 1 per cent or more of total amount of bonds, mortgages, or other securities are: None.

4. That the two paragraphs next above, giving the names of the owners, stockholders, and security holders, if any, contain not only the list of stockholders and security holders as they appear upon the books of the company but also, in cases where the stockholder or security holder appears upon the books of the company as trustee or in any other fiduciary relation, the name of the person or corporation for whom such trustee is acting, is given; also that the said two paragraphs contain statements embracing affiant's full knowledge and belief as to the circumstances and conditions under which stockholders and security holders who do not appear upon the books of the company as trustees, hold stock and securities in a capacity other than that of a bona fide owner; and this affiant has no reason to believe that any other person, association, or corporation has any interest direct or indirect in the said stock, bonds, or other securities than as so stated by him.

H. W. DODDS,
Editor.

Sworn to and subscribed before me this 22nd day of September, 1930.

Mary Donovan,
Notary Public.

[seal]

(My commission expires March 30, 1931.)

NATIONAL MUNICIPAL REVIEW

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THE LEAGUE'S BUSINESS

Nomination of Officers for 1930.—The committee on nominations has submitted the following slate of candidates, to be elected at the annual business meeting of the League, Hotel Statler, Cleveland, on Monday evening, November 10:

For President—Richard S. Childs, New York.

For Vice Presidents—Charles A. Beard, New York; H. L. Brittain, Toronto; Louis Brownlow, Fair Lawn, N. J.; Harry F. Byrd, Winchester, Va.; Samuel S. Fels, Philadelphia; John M. Gries, Washington, D. C.; A. R. Hatton, Northwestern University; John R. Haynes, Los Angeles; Hamilton Holt, Rollins College; A. Lawrence Lowell, Harvard University; C. E. Merriam, University of Chicago; W. B. Munro, Pasadena, Calif.; J. C. Nichols, Kansas City; Frank L. Polk, New York; Thomas H. Reed, University of Michigan; Chester H. Rowell, Berkeley, Calif.; Miss Belle Sherwin, Washington, D. C.; Mrs. F. Louis Slade, New York; Silas H. Strawn, Chicago; and A. Leo Weil, Pittsburgh.

For Council—terms expiring in 1933—Morris L. Cooke, Philadelphia; Robert T. Crane, University of Michigan; George O. Fairweather, Chicago; Homer Gard, Hamilton, Ohio; Joseph P. Harris, University of Washington; Louis P. Head, Dallas; Arthur W. Macmahon, Columbia University; William B. Moulton, Chicago; J. Henry Scattergood, Philadelphia; and Laurence A. Tanzer, New York.

These nominations have been made by the following committee, appointed by President Richard S. Childs:

Harold S. Buttenheim, editor, *The American City, chairman*
Richard Crane, Westover, Va.
George H. Hallett, Proportional Representation League
Edward M. Martin, Public Affairs Secretary, Union League Club of Chicago
Walter Matscheck, Kansas City Public Service Institute

⁂

Baldwin Prize Contest.—Professor Edwin A. Cottrell, Leland Stanford University, acting as chairman of the League's committee on prizes, has selected the following as the subjects for the 1931 Baldwin prize essay contest:

Private vs. Municipal Ownership and Operation of Airports
State Controlled Metropolitan Government vs. Home Rule
Allocation of a Proper Portion of State Gasoline Tax to Municipalities
The Relationship between Efficient Government and the Rates for Fire and other Insurance
Expanding the Aid and Influence of the Federal Government in Municipal Affairs

⁂

Portland Prize for 1931.—A prize of $25 is awarded annually to an undergraduate student in Reed College, Portland, Oregon, for the best essay on a phase of municipal government and administration. The National Municipal League acts as the custodian of the fund from which the prize is derived and annually selects the judges of the contest.

The 1930 award goes to Herman Herst, Jr., who wrote an essay on the subject: "A Study of the Causes of Portland Suburban Growth." The judges of the contest were: James M. Reinhardt, University of Oregon; William G. Bonelli, Occidental College; and Russell M. Story, Pomona College.

RUSSELL FORBES, *Secretary.*

NATIONAL MUNICIPAL REVIEW

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EDITORIAL COMMENT

Story Reëlected President of City Managers At the annual meeting of the International City Managers' Association in San Francisco, in September, Stephen B. Story, city manager of Rochester, New York, was unanimously reëlected president of the Association.

*

A New Planning Magazine We welcome *Community Planning*, the official organ of the Town Planning Institute of New Zealand, as a worthy addition to the already formidable list of journals devoted to the topic of city planning. The first issue appeared in September. Its postal address is P. O. Box 1, Government Buildings, Wellington, New Zealand.

*

New York's Old Age Assistance Law Applications for grants under the new law of New York by which assistance is to be rendered to needy persons 70 years old or more are now being received, although actual allowances do not begin until January 1. Public assistance will not be available to all persons 70 or over. Only those who are in financial distress can receive aid. The system is not, therefore, a scheme of old age pensions. If an aged person has children or other relatives able to care for him, or if he is ill or disabled to the extent that he can be better taken care of in a public institution, he cannot qualify for the old age allowance. The grants are intended only for those living in their own homes or in the homes of relatives or friends. The state department of public welfare, which will supervise the administration of the law by counties and cities, estimates that one person in every 200 in the state will be eligible for old age assistance.

The state will pay half the costs; the local unit half. Estimating (as does the special commission which prepared the bill) that 51,000 persons will qualify for assistance and that each will receive about $20 per month, the total expenditure for assistance alone will total $12,400,000 the first year. Whether this sum represents much of a net increase in expenditures for relief to the aged over what private and public agencies have been spending for this purpose may be doubted. Many of the needy aged are already receiving public assistance in one form or another. What the new method provides is a more systematic procedure which will enable the aged to continue to live self-respecting lives in their homes or the homes of relatives or friends without the spectre of the poorhouse to darken their final years.

The new law is the result of a survey and report by the New York Commission on Old Age and Security. Senator Seabury C. Mastick was chairman, and Luther Gulick was director of the research staff.

*

Detroit Considers Voting Machines According to *Just A Minute*, the weekly leaflet of the Detroit Bureau of Governmental Research, Oakley E. Distin, chief supervisor of the Detroit City Election Commission, has made a favorable report on voting machines and recommends their adoption by Detroit. For fifteen years Detroit has been distinguished for the excellent administration of its election law and Mr. Distin, a member of the National Municipal League's Committee on Election Administration, has gained national prominence as an expert election official. His opinion upon voting machines is, therefore, entitled to serious consideration.

The advantages of the machines are numerous. Results are known immediately after closing the polls. (The first time machines were used in New York City one board telephoned its results to headquarters less than two minutes after the polls had closed.) Expensive recounts are unnecessary; and election personnel is reduced and hours of work shortened, due to ability to accommodate more voters at a polling place. Machines now operate smoothly and are practically foolproof. Possibilities of fraud are reduced.

The chief argument against the machine is the high cost of installation, particularly in jurisdictions which have the long ballot and must provide for a large assortment of candidates. In Detroit it is estimated that suitable voting machines would cost $1,300 each, or about $1,600,000 for the number that would be necessary. Upon a conservative estimate of the life of the machine, the amortization charges of the capital amount would be approximately $107,000 per annum. To offset this, it is estimated that there would be a saving of $134,000 a year through the use of the machines. If the ballot could be shortened the cost would be materially reduced.

*

Taxicabs Held to be Public Utilities The taxicab industry can operate profitably in New York City at the present rate of 15 cents for the first quarter mile and 5 cents for each succeeding quarter if an average of 50 per cent paid mileage can be obtained, asserts the Mayor's Committee on Taxicabs, Frank P. Walsh, chairman, in its report just published. Now, however, the paid mileage is only 44 per cent of total mileage and the industry is in a thoroughly unhealthy condition. It is to blame for many avoidable accidents and it is in the hands of operators without financial responsibility for accidents. Excessive cruising increases traffic congestion. In short the industry fails to provide the minimum standard of service to which the public is entitled. Conditions can be bettered only by encouraging its inevitable development into a "full-grown member of the public utility family."

Large scale responsible operation must be substituted for the 10,000 separate owners now controlling 19,500 cabs. Inclusive of tips the gross annual income of the taxicab business (invested capital $40,000,000) amounts to $144,000,000 from 346,000,000 passengers. Obviously a taxi ride is no longer a rich man's luxury. The major problem is that of facilitating transition to unified operation under public franchise.

The Mayor's Committee recommends that the industry be placed under the jurisdiction of the board of transportation and that operation be subject to certificates of public convenience and necessity. Ability to assume full responsibility for liabilities incurred, ability to conduct efficient and economical operation, and public need for the number of cabs for which certificates are requested, are some of the tests to be applied before permission to operate will be granted. It is recommended that public control be extended, *inter alia*, to fixing rates and service standards, determining prior rights to color schemes and distinctive markings, requiring uniform accounting, preparation of a program of hack stands and operation to eliminate unnecessary cruising, and establishment of satisfactory employee working conditions.

It is significant that the committee recognizes unequivocally the industry's new status as a public utility. The industry itself, speaking through the National Association of Taxicab Owners, has accepted this new status and we may expect a rapid extension of public regulation into this field.

In view of the known advantages, as well as the latent possibilities, of this modern form of transportation, its public regulation should be more expeditious and effective than has been public control of other utilities. Surely experience has taught us something. At least for the present, large scale operation does not necessarily spell monopoly in this business; and governmental regulation should be relatively easy.

Already a number of states subject taxicabs to regulation by state agencies and the old issue of state versus local control of public utilities will be revived with much to be said for both sides.

In any case the days of the "Fresh Air Taxicab Company, Incorpulated, Andrew Brown, president" are numbered.

English Investigating Personnel in Local Government. The London *Municipal Journal* reports that the minister of health has appointed a committee to inquire into the recruitment, training and promotion of local government officers. The committee is the fulfillment of a recommendation of the recent Royal Commission on Local Government which reported last year.

The testimony submitted to the Royal Commission revealed that local government personnel policies are not 100 per cent satisfactory. Distinguished students such as Professor Graham Wallas, Dr. W. A. Robson and E. D. Simon (names familiar to readers of the REVIEW) presented cogent suggestions for reform. Dr. Robson's statement that certain practices of favoritism sometimes exist in appointment to local offices, verging dangerously on the spoils system, was not received sympathetically by the commission, but he cited enough cases to disturb official equanimity.

The significant parts of the testimony before the Royal Commission turned upon appointments to administrative posts in local government. Excluding the severely technical branches, youths generally enter the service when fifteen to eighteen years of age. They may expect to work up to the higher posts by the time they are thirty to forty years old. The custom of "articled pupils" is widespread. Youths apprentice themselves to high officials who receive often a money payment for the training they impart. Professor Wallas and Dr. Robson oppose this practice as open to gross abuse in its possibilities for favoritism.

In English local government objective tests of fitness have been employed but little. It would appear that the National Association of Local Government Officials (the organization of those who would be termed with us municipal civil servants) has made some progress in persuading municipal councils to adopt minimum educational qualifications for entrance; but the selection of municipal employees remains, as a rule, on a personal basis. From the American viewpoint, the training offered by the technical and professional associations, which grant certificates to those who fulfill their requirements, would appear to be useful and effective as far as it goes. But, also from the American viewpoint, the trial and error method of recruiting the clerical and administrative staffs appears capable of fundamental improvement.

The burden of much of the testimony before the Royal Commission favored greater standardization of qualifications for entrance and promotion. While not proposing national competitive examinations, the recognition of local government as a national service was urged. Dr. Robson suggested a system of qualifying examinations conducted on a regional basis by local personnel commissions.

Mr. E. D. Simon, former lord mayor of Manchester, testified that "while it is relatively easy to get good technicians, lawyers, doctors, engineers or architects, it is a matter of the utmost difficulty to find administrative ability of the highest quality." The most available source of such ability, in his judgment, is to be found in university trained men, few of whom now enter the administrative side of local government. Professional officials are often university trained but training in a profession does not necessarily fit one for administrative positions.

The national civil service of England looks almost exclusively to the universities for its supply of future administrators. It is not so in English local government. How municipal service can attract university men will doubtless be a chief consideration of the recently appointed departmental committee. The university graduate is older than the average young man who enters municipal government and it will be difficult to fit him in without doing violence to accepted traditions and current practices.

The chief trouble appears to be that local government service does not offer a career to a candidate who does not boast a technical or legal training. But one contention of English critics is that there is a science and an art of administration, for which a technical education is not a sufficient preparation; and that local government, after the analogy of the national government, should recognize the peculiar task of the administrator and provide a career for him.

It was impossible for witnesses before the Royal Commission to discuss the function of the administrator without making reference to the need of one supervising official as a coördinator of the various administrative departments of a city. It is more important, said some, that the town clerk be an administrator than a lawyer and it was urged that the position be opened to qualified administrators irrespective of their legal training. The example of the American city manager was cited by several witnesses as worthy of study. But the official members of the commission were not sympathetic to the manager idea and occasionally betrayed a delightful, although dogmatic, ignorance of just what our city managers are and do.

It will profit American experts to follow closely the survey and report of the minister of health's committee as it attempts to evolve national standards of local personnel management. One great need in the United States is a close tie-up between public service and educational training.

HEADLINES

The brief but spectacular career of Mayor Charles Bowles of Detroit ends when the recount shows Judge Frank Murphy unquestionably elected, and Bowles, baffled and weary, abandons plan to take his fight to the supreme court. Whereupon many other departmental officials join Bowles in private life—by request!

* * *

A public defender is hired by Cook county to fight the cases of penniless folk. Heretofore, the judge has appointed some law student to the job.

* * *

A proposed public improvement program in Philadelphia is abandoned when the city comptroller fixes the borrowing capacity at less than $11,000,000.

* * *

Merger of the governments of Atlanta, Fulton and De Kalb counties, Georgia, is proposed.

* * *

Michigan voters will decide at the polls in November whether apportionment of seats in the House and the Senate should be on a straight population basis. The Michigan State Grange is fighting the proposed constitutional amendment fostered by the Wayne county board of supervisors.

* * *

Unemployment is the knottiest problem now facing city governments. Detroit's municipal bureau reports a registration of more than 75,000 unemployed. New York likewise. Thousands storm Cleveland's city hall when a special unemployment park bond issue is passed. More and more cities are making large appropriations to meet the emergency. And talk of unemployment insurance is becoming more and more common.

* * *

Almost as large a vote as during the 1928 presidential election was registered in Teaneck, New Jersey, when citizens turned out to elect five councilmen favorable to the city manager plan.

* * *

By a majority of more than 5,000, voters of Dallas, Texas, adopted the city manager plan this month. Four years of education have had their effect.

* * *

The Missouri state supreme court upholds St. Louis gasoline tax of one-half cent per gallon.

* * *

An amendment to the state constitution enabling St. Louis and St. Louis county to consolidate will be voted upon by Missouri voters at the November election. If it is adopted, proponents of the plan intend to submit a Greater St. Louis charter to vote of the city and county early in 1931.

* * *

Dallas bakers were outraged when they discovered a clause in the new charter giving the city power to "prescribe the weight, quality and price of bread manufactured or sold in Dallas." Then somebody looked into the old charter. This same provision had been there for twenty-three years!

Chicago apparently has not heard of the short ballot! Voters of the "pineapple city" will have to mark a ballot next month a yard wide and four feet long in addition to three or four smaller ballots.

* * *

Budget estimates for 1931 presented to the Philadelphia city council by Mayor Mackey would lop from the city pay-roll more than seven thousand municipal job holders.

* * *

Detroit city council passes a new traffic ordinance giving judges discretionary power in speeding cases and permitting motorists to justify the speed even though it exceeded limits.

* * *

The county manager plan was defeated at a special election in Greene County, Georgia. Due to complications in the wording of the ballot, friends of the manager form of government in some instances unwittingly voted against it. The plan did not receive as many votes as there were names on the petition calling for the election!

* * *

Among other things, the Illinois League of Women Voters is supporting the following reforms: improvement of the election laws, permission for Illinois municipalities to adopt the city manager plan, extension of the merit system, and permission for counties to establish health departments.

* * *

Crisp County, Georgia, running the only county-owned power plant in the country and selling power 10 per cent below previously prevailing private rates, will not receive aid from the federal government in its fight for existence, Dr. Ray Lyman Wilbur, secretary of the interior, announces. The county plant faces trouble since the private company countered with a 35 per cent rate cut. Meanwhile court action is launched by the state power commission, ordering the private company to show cause why it did not reduce rates by the same amount all over Georgia.

* * *

The following cities are voting on the city manager plan at the November elections: Oakland and Ventura, California; Arkansas City, Kansas; Lexington and Newport, Kentucky; and Bedford, Ohio.

* * *

Permanent registration of voters, a proposition empowering the legislature to provide further state administrative consolidation, and one requiring the governor to call a constitutional convention are among initiative acts which will be presented to the voters of California at the November election.

* * *

A new contraption that looks like a mechanical ant-eater has been tried out in New York to remove ashes from buildings without the usual scattering of dust. A large rubber tube running from the machine to the basement of the building draws the ashes—vacuum cleaner fashion—at the rate of an ashcanful every thirty seconds.

HOWARD P. JONES.

AN APPRAISAL OF CINCINNATI'S EFFORTS TO MEET UNEMPLOYMENT

BY C. A. DYKSTRA AND F. K. HOEHLER

City Manager and Director of Welfare of Cincinnati

According to government reports Cincinnati's unemployment rate is lower than other large cities. This is a sequel to an article in the REVIEW *for last May and describes the results of efforts to mitigate the hardships of business depression.* :: :: :: :: :: ::

CINCINNATI, like every other city, has had considerable unemployment during the past twelve months. This city, heralded in many places as knowing the remedy, is just as troubled about her unemployed as is any other industrial center.

The annoyance may be less acute because Cincinnati is meeting the problems involved with a plan and because it is endeavoring to record intelligently results and experiments for future reference and relief.

There are many accomplishments which can be set down to the credit of the citizens of this community and the foresight of their leaders.

WORTH WHILE ACCOMPLISHMENTS

First among these is the recognition on the part of the government that city authorities have a definite responsibility in an emergency such as every industrial center in America is and has been facing. Furthermore, it has been acknowledged that responsibility entails leadership.

The second is undoubtedly the complete and unselfish coöperation of all elements in the community who should be united in reducing unemployment and its evil effects. Social agencies, The Community Chest, government units, the Chamber of Commerce, the University, labor organization and industry have supplied leaders and intelligent counsel with no claim of credit or thought other than public service.

The organization of a PERMANENT Committee for stabilizing employment before there was a depression is, in itself, an accomplishment. The success in keeping that committee active for two years is another.

As in most cities, Cincinnati had no reliable data on the amount of employment and unemployment until May, 1929, when the first complete census of unemployment was taken. The Sub-Committee on Fact Finding which was responsible for this census began with it as a basis to accumulate current data. This sub-committee has provided the community with monthly employment figures which indicate, with a fair degree of accuracy, the current conditions and trend of employment.

An estimate of the success of Cincinnati's plan to relieve unemployment is difficult. Such estimates always are unsatisfactory when made at close range and when an adequate basis of comparison is lacking. Much of what we in Cincinnati regard as successful is of such intangible nature as to defy measurements. It is impossible now to register the amount of human interest displayed toward employees by employers. Only employers know where they have stretched a point to retain workers because of the educational efforts of the Sub-Committee on Continuous Employment. No one will ever record the degree by which local citizens reduced hunger and preserved self-respect as a consequence of the Cincinnati temporary employment effort, or because of the Industrial Relief Plan which worked so effectively during the past winter and spring.

EMPLOYMENT BUREAU STILL NEEDS IMPROVEMENT

At the Employment Bureau, where the Cincinnati Committee has felt definite improvements must be made, in physical equipment and in methods, very little has actually been accomplished. There is, however, a general awakening of interest on the part of employees at the Bureau and, in our opinion, on the part of the officials responsible for the appointment of employees. In both these groups there is a consensus of opinion for the need for improvements. Since the activities of this committee began two new employees have been added to the State-City Employment Bureau and one to the Junior Placement Division.

The recommendations for improvement from the Sub-Committee on the Employment Bureau are many. Actually a considerable amount of effort will be required before the Employment Bureau fills its proper place in the community.

TEMPORARY JOBS PROVIDED

The Sub-Committee on Temporary Employment has made two special efforts to provide temporary jobs for the unemployed. These efforts were made through a group of one hundred individuals representing all sections of the community and as many organized groups as possible. The results from these special efforts were not as great as the committee had hoped, but over a period of a month or two the employment bureau had calls from fifteen or twenty individuals a day offering temporary work. The publicity given to this movement, we are certain, provided other jobs direct to the unemployed from residents of the community. During this fall it is planned to have a pledge card signed by those persons who will agree to supply certain amounts of temporary employment.

STABILIZATION

The Committee on Continuous Employment has done some special work with individual employers and has certainly created interest on the part of many employers in the idea of stabilization. The largest employers, from the standpoint of capital investment in this community, have met on two occasions to discuss problems of stabilization. These meetings will be followed up when the present depression is at an end.

The Committee on Publicity and Education has performed the important task of creating interest on the part of employers and the community. It has also very successfully kept their confidence. This has been done by frankly stating the actual conditions each month, without any attempt to create an impression different from the actual state of business. A monthly bulletin is sent from the Employment Bureau to 3,500 employers in Cincinnati. This bulletin started early in 1929 has been very effective in advertising the Bureau to the employers of the community.

A series of radio talks was provided in order to create interest in the community and, if possible, in other communities. These talks have provoked considerable comment from those who listened in and more than two hundred copies have been made for distribution on request.

EXTENT OF UNEMPLOYMENT

The actual amount of unemployment in May, 1929, according to the census for unemployment was slightly over 6,000. The census of May, 1930, indicated that there were more than 12,000 unemployed with a much larger number employed only part time. The Fact Finding Committee, using as many as 21 sources from which to secure employment information, estimates that, at this time, September, 1930, there are 18,000 unemployed in the Cincinnati Industrial Area, which includes considerably more than geographic Cincinnati.

The Industrial Relief Program, which has made it a policy to supply a job wherever possible instead of relief, created more than 500 jobs during the past winter and spring and provided employment for nearly 3,000 heads of families, at a cost of nearly $48,000 for a period of four months. The Community Chest, in addition to this expenditure, has been very active in taking care of relief needs of the unemployed, at a cost of $10,000 a month in addition to the regular relief.

A chart from the Transient Service Bureau indicates a greater increase of homeless men seeking assistance and the consequent mounting cost of the care of these homeless men. It is hoped these records will be analyzed carefully by one of the local research bureaus and will provide excellent material for comparison at later dates.

In short, while the actual accomplishments in this field have been small, it is felt that the community has approached the problem in a scientific manner and that the people have already been more than repaid for their efforts.

SOCIAL ACTIVITIES IN THE TOWN FOR THE MOTOR AGE

BY HENRY M. PROPPER

Radburn is only a year and a half old, but it is already a community, something more than a cluster of houses. :: :: :: :: ::

Like Abou Ben Adhem, Radburn might have "led all the rest" had it been disposed to enter the "Fastest Growing City" competition which followed the completion of the recent federal census. In terms of per cent growth, it is somewhere up in the thousands and the actual figures are only slightly less startling when it is recalled that in 1928 its two square miles of site were devoted to farming. On April 25, 1929, Radburn's first family took up residence in the "Town for the Motor Age," giving it a total population of two. Twelve months later, it had 202 families and a population of 587, and by August, 1930, this figure had again increased to 275 families and a total population of 800.

This influx has brought together families from all sections of the metropolitan region and some from more remote points. Few if any knew each other before coming to Radburn. What have these people achieved in community life?

WHAT GOES ON IN RADBURN

One night a short time ago, the members of the Chess Club began to

Examination of Young Radburnite in the Children's House

gather for their weekly game. They found the Library Committee was giving a dinner in the club room in the Plaza Building and that the dinner was a little too gay and noisy for the cloistered quiet a chess player likes. They decided to borrow the pastor's study, but the Play Discussion Group of the Dramatic Committee was holding a meeting there. Someone suggested that the assembly room might do, but this room was in requisition for choir practice. So they found a place in an office of one of the City Housing Corporation representatives and sat down there to an evening of serious play.

Almost any other evening might tell a similar story, with the substitution of an orchestra rehearsal for the choir practice, a Gardens Club meeting for the Dramatic Society, and so on almost indefinitely.

So many things are going on in Radburn, that if one were to attempt to list all of them, this brief article would be nothing more than a catalogue. All of these activities, or nearly all of them, are coördinated through the Radburn Citizens' Association, which had its beginning just about a year ago when Radburn numbered less than fifty families. The Citizens' Association meets once a month, and at that time all the residents may come out for general discussion of neighborhood or community problems. But most of its work is carried on through committees. There are too many to give a complete listing, but a few illustrations may serve to indicate the method of encouraging free self-expression in community life.

For example, there is a Gardens Committee which concerns itself directly with the community vegetable gardens, supervises the assignment of garden plots, offers lectures, etc. It also has fostered the Garden Homes Club, which is interested primarily in flowers and is affiliated with the New Jersey Federation of Gardens Clubs. Incidentally, the Radburn Garden Club, the youngest in the state, was the host of the State Federation at its meeting in May.

The Dramatic Committee, bringing together those interested in the drama, divides itself into two groups. Those who wish to produce plays form the Radburn Players and have established the Little Theatre in Radburn. Those who wish to study the drama form the Play Discussion Group.

The Sports and Games Committee has a group for chess, checkers and dominoes, a baseball nine, a tennis committee, an archery group, a gym committee and is in part responsible for the swimming instruction offered at the Radburn community swimming pool.

WELFARE ACTIVITIES

The Public Health Committee has made arrangements for a visiting nurse service and has fostered the establishment of a Well-Baby Clinic in the Children's House. Arrangements have also been made for the physical examination of all children at regular intervals, in connection with the physical education program.

Last year, the Child Welfare Committee opened in the Children's House, under voluntary leadership, a nursery school, several play groups, a children's dramatic club and a handicraft center for boys. It also arranged courses in child study in connection with the extension service of Rutgers University. The nursery school has already outgrown the small group which made voluntary leadership feasible, and for the new school year will be in charge of

[National Chess Champion Outplaying Local Champions on Giant Chess Board

START OF SCOOTER RACE ALONG PEDESTRIAN WALK

a professional teacher trained in the methods of modern education.

The School and the Civic Affairs Committees were active in the campaign which resulted in the voting of a $125,000 bond issue by the electors of Fair Lawn for Radburn's first public school. The school is now approaching completion and is planning to receive its first pupils in October.

A COHESIVE SOCIAL GROUP

This is not all and it takes into account nothing of the spontaneous social life that has sprung up so vigorously in this short time.

That the plan of Radburn and the many community facilities provided have had a substantial share in welding the residents of Radburn into a cohesive social group in so short a time cannot be doubted. From the experience gained in the building of Sunnyside Gardens and Radburn, it would appear that neighborliness and active community life depend not so much on the state of mind of the individual as they do on the physical facilities which either encourage or discourage them. At Radburn particularly the opportunities for social and community contacts are many. As one resident put it recently, "I don't feel as if I were going somewhere to attend a meeting at the Plaza Building. It is just like walking across the campus." He referred, of course, to the pedestrian walks which fringe the parks in the center of Radburn super-blocks, which give Radburn not only a safe place but a pleasant place to walk where people are really again enjoying strolling. The practice has grown almost from the time when the first families moved in, to stroll along these walks of an evening, and this has helped to get families to know one another. They have become acquainted passing and re-passing each other along the walks, in rooting at the baseball games, in watching tennis matches, or in swimming at the pool. It is rather difficult to be stand-offish in a bathing suit and the pool has been one of Radburn's most popular attractions during the past summer.

Taken all in all, one is well justified in saying that for a community little more than a year old, Radburn is a lusty youngster.

PENNSYLVANIA CLEARS HER HIGHWAYS

BY J. HORACE McFARLAND
Past President, American Civic Association

In two weeks last summer the Pennsylvania highway department, acting under the Woodruff Law, removed 24,843 illegal signs from public rights of way and 7,391 signs on private lands after conference with owners. State authorities are working to preserve Pennsylvania's great scenic beauty. :: :: :: :: :: :: :: ::

THE Keystone State has been fortunate in its legislation looking toward the protection of its highways from selfish private advertising. It is an interesting fact to bring to national attention that the former secretary of the National Municipal League, Clinton Rogers Woodruff, while a member of the Pennsylvania legislature, put through the Act of March 10, 1903, making illegal all private advertising on the highways, save with the previously obtained written consent of the owner of the property concerned, and on trees. Another act got through, under the American system of as many laws as possible without reference to any previously enacted, but the major reliance has been on the Woodruff bill.

Then there has been recently the strongest disposition to add to the power of the highway department in the protection of the highways, and in an altogether too slow recognition of the magnificent quality of Pennsylvania's scenery. Long disregarded by those who traveled elsewhere to see mountains, valleys, streams, and the like, attractive in their picturesque character, Pennsylvania is now coming to its own as a state of unsurpassed scenic attractiveness. Much of this appreciation is due to the present ideals of the state highway officials, who have located new highways and revised old highways to make obvious and accessible to motorists the beauties of the Keystone State.

While the so-called "Buckman Bill," which I prepared in 1925 after consultation with many legal authorities, including an assistant attorney general of the United States, and which placed signs on private property under the jurisdiction of the state highway authority with instructions to license only such as in his judgment did not interfere with the public safety by distracting attention from the increasing dangers of the road, did not pass because of the efficiency of the billboard lobby, either when offered in 1925 or when again presented in 1929, these same state highway officials did get through what is known as the "Wheat Law." It was approved June 14, 1923, and provides that the highway authority may condemn a view which is being interfered with, restoring the property to its owner on condition that he grows on it nothing taller than a crop of wheat.

ATTITUDE OF COURTS

Pennsylvania judges have been rather definite in their support of the English common law provisions, under which the public highways are actually public property, not to be intruded upon for private interest. With this disposition a constitutional amendment has not been needed to clear the state highways of private intrusions, and for many years there has been increasing res stance to the "sniping" attempts of those who want to use the public property for private advantage.

In this effort the organized Outdoor Advertising Association of Pennsylvania has been properly sympathetic, it is only fair to say. Its secretary writes: "In the past six years our organization has conducted clean-up campaigns that have resulted in the removal of over 200,000 illegal small signs, thousands of them cards of political candidates, many of them at the time holding office and sworn to uphold the laws."

In the present Fisher administration, the secretary of highways, James Lyall Stuart, and his engineers have been anxious not only to rid the state of these sign intrusions so far as the law permitted, but definitely to beautify the highways by planting for protection and beautification. A separate department has been created, in charge of a "highway forester," who has a considerable force at his command in each highway district and who has been provided, by transfer from the forest department, with an admirably located nursery of several hundred acres in which are grown the trees, vines and shrubs deemed best for improving Pennsylvania highways. Latterly the ideal has been to use, so far as practicable, the material native in the immediate vicinity of improvement, whether raised there or not, so that as far as possible the highway decoration would be a restoration to the natural conditions of "Penn's Woods." Frankly, I take some pride in this particular ideal, because it was the basis of the presidential address delivered at the Country Planning Conference of the American Civic Association held in Amherst, Massachusetts, in October, 1920.

THE CLEAN-UP DRIVE LAST SUMMER

On June 23 there went out to "All Division Engineers, Maintenance Superintendents and Division Foresters" the announcement that the annual campaign of the authorities against illegal signs was to be "started at once and completed by July 15." These illegal signs were defined as "those erected within the legal limits of a state highway right-of-way, and those erected on private land or those remaining on private land after the annual rental has expired, without the consent of the landowner." The procedure to be followed was described as follows:

> . . . The caretaker will inquire of property owners if permission was obtained for the erection of signs. If no permission was granted and with the approval of the property owner, such signs are to be removed. If the landowner granted permission or does not want the signs removed, the signs should not be disturbed.

It was made clearly apparent that this campaign was directed particularly against the "small cardboard, cloth, tin, steel and wood signs commonly called 'snipe' signs."

With increasing enthusiasm due to a most admirable acceptance of the new ideals for highway beautification, the district workers went at the job. There were removed, in consequence, in the eight highway districts, a total of 24,834 illegal signs. By conference with property owners there were removed also from private lands as visible from the public highway, 7,391 additional signs, making a grand total for the two weeks' effort of 32,225 signs.

"POSTER BOARDS"

Let there be no misunderstanding. This campaign did not touch the so-called "poster boards," as the billboard folks like to call them, though we who love Pennsylvania scenery would rather call them plain "billboards." These are maintained on private land, not infrequently at considerable distance from the public highway but depending entirely for their assumed value to the advertiser on proximity to the public highway and on being read by those who use these same state-paid-for and state-maintained highways. The state's skirts are clear so far as intrusions on the public right-of-way owned by the state are concerned. The citizens of the state, however, are yet culpably guilty of permitting, not infrequently for a definite consideration, intrusion upon sight from the public highway of these selfish private announcements, as they rent their premises for billboards.

The Outdoor Advertising Association of Pennsylvania realizes the growing irritation of the public at these signs, and its officers have manifested a commendable disposition to confer, and sometimes even to yield, with respect to sign locations that may be said to obscure satisfactory scenery. Despite this fine spirit, it must be both admitted and insisted that improvement under its influence always rests on the judgment of someone who has a private advertising interest as to what constitutes interference with the state's scenic beauty. I can recall a case in which I objected to a sign newly obtruded, as is the practice, on a just-completed concrete highway in a lovely valley. Report was made to the authorities that the sign was many miles from the beauty-spot I was trying to protect, and that it hid an unpleasant dump. The facts were otherwise, and the sign was moved some five miles to a location less glaringly unpleasant.

MANY BILLBOARDS REPEL WOULD-BE CUSTOMERS

No one can truthfully accuse me of opposition to all outdoor advertising. I cannot, however, admit the propriety of spreading that outdoor advertising all over the state. I know it is ugly and unfortunate for the state in its hiding of the scenery, and I very greatly doubt its adequacy as advertising. In fact, if I may be influenced by the remarks I hear, these signs erected on private property, visible from highways maintained by the state wholly or in part, quite frequently advertise with complete adequacy what *not* to buy. The Keystone State will not be effectively "Pennsylvania Beautiful" until there has been a definite segregation of such advertising signs as may eventually be permitted within the limits of public safety, as well as public beauty; and until there is a reduction in their area, and I think consequently, an increase in that attractive quality upon which true advertising must depend. The outdoor advertising interests, unless they announce a campaign of restriction and segregation, will undoubtedly be moving themselves off the map. Meanwhile, those who love the state for its beauty and those who desire to travel in safety along its magnificent, well-built highways, will continue to deprecate the hiding of that beauty by signs, and also the diversion of attention which increasingly adds to the dangers of the highways. I do not know how many deaths, how many damaging accidents, are properly attributable to the signs that tend to divert the motorist from his job of avoiding danger, but I suspect the proportion is a painfully large one.

THE TAXLESS CITY

BY ROGER W. BABSON
Babson Park, Massachusetts

Municipal administration is primarily a business matter. Why shouldn't a city make a profit. There is nothing sacred in its being run at a loss. :: :: :: :: :: :: :: :: ::

Taxes have become a problem of major importance. Moreover, it is a problem which is constantly becoming more pressing. In the cost of living, the item of taxes is in many ways the most onerous,—not only because it is of great size but because it yields the smallest personal satisfaction. People are willing to work for necessities and pleasures, but it galls them to be mulcted for a cost which is totally unnecessary and anything but pleasurable. Even before the days of depression, the average annual income of the typical family probably did not exceed $1,500. Including federal, state, and city governments, the total government cost per family of five has been estimated at close to $550. That is, the cost of government per family runs over one-third of the family income. It seems safe to say that at least twenty-five per cent of family income goes out in taxes, and in certain localities it is said that over half the family income is thus consumed.

It would seem that the imposition of taxes of this staggering amount would long ago have caused rebellion if not revolution. The reason why the public has not writhed more violently under the punishment is because taxation works in the dark. The taxes we pay are not laid upon us in a single charge, but are secreted in every bill and sales-slip. This concealment can continue for a time, but not forever. The day must ultimately arrive when the impact of taxes will become so terrific that people will wake up to the situation and perceive the plague which is penalizing business, punishing the public, and menacing the entire nation. There is every reason, therefore, for working to bring about the taxless city. Fortunately this is a goal which can be reached rather easily. In fact the difficulties are not of an economic or mechanical nature, but due almost entirely to human nature with its blind clinging to tradition, and its hostility to change.

The real obstacles to be surmounted in achieving the taxless city are prejudice, selfishness, ignorance and indifference—not any impossibilities or difficulties inherent in the project itself. The reorganization necessary to give us the taxless city is not radically different from the procedure we follow when reorganizing a corporation which has been mismanaged and run down. In reorganizing a corporation we set out to accomplish two things: To prune needless costs and to provide greater income. The same simple formula can be applied to government—which Mr. Edison is said to have condemned as the most mismanaged business on earth.

LIGHTENING THE TAX LOAD THROUGH MORE EFFICIENCY

Preventable wastes in government are so numerous that it would be a big undertaking even to catalog them. I shall not attempt to list all, or even a considerable part, of the needless costs which must be abolished as a first step toward our objective of a taxless city. Instead I shall merely mention certain wastes which are typical of the dissipation running through the whole fabric of our present government.

For example, if the legislative bodies of the nation would give their energies to the elimination of unnecessary laws, the resulting savings would be prodigious. Our ponderous statute books are choked with the "cumulative errors" of generations. A considerable part of existing laws is either out-of-date or out-of-place. While in force, they must be obeyed; observance of law is the corner-stone of democracy. The more we attempt to cover every conceivable situation by minute rules, the more surely we shall fail to produce a reign of law and order. Our lawgivers seem to feel that the making of laws, like the making of goods, should achieve mass production. The only way we can hope ever to cope with the growing complexity of the present and future is not by amassing minute rules, but by developing fundamental principles.

Where would the chemists and the physicists, the metallurgists and the engineers, be today if they had undertaken to prescribe for each individual reaction? Their toil has been to discover how to summarize infinite variety in the fewest possible basic principles. The measure of efficiency in legislation should be its value and not its volume. A thorough review and renovation of the statutes would save waste not only for the congresses but for the courts. The importance of efficiency in making and enforcing laws is very important; I advocate that a law should be automatically repealed at fixed intervals unless specifically renewed. This would serve at least to free us from the burden of obsolescence.

WASTE IN EDUCATION

Another vast field for the elimination of waste is in education. Apparently our schools, in the main, have yet to catch the vision of efficiency which has done so much to advance other fields of civilization. There are various courses, upon which the typical school is throwing away fortunes in money and time, which should be wiped bodily from the program. In every course there is a failure to use labor-saving methods, both manual and mental. Consider for instance a detail such as the correcting of examinations and exercises. In large part these could be arranged so that the pupils' work could be graded by modern computing devices, freeing the teacher from futile drudging and giving new time for real teaching.

Another outstanding example of preventable costs is the overlapping of federal, state and city governments. Nobody wants to see a reckless and indiscriminate centralization. Much of the present duplication, however, serves no useful purpose. It is merely the product of blindness, indifference, or selfishness. It reflects not true economic requirements but uneconomic politics. Here again, we have a situation where a useful lesson can be learned from a comparison with business. Very frequently several concerns have been merged into a single corporation and incredible economies have resulted from doing away with needless duplications. This same principle, which has been such a big success in business, can be adapted to the needs of government and adopted with the same success.

As now practiced, the expenditure of public funds could hardly be arranged to offer greater temptations to carelessness and selfishness. As long as the continuance of careers depends upon votes, and as long as votes depend upon "pork," politicians will continue to vie with each other as to who can squander the public's money most lavishly. One of the most dangerous and disastrous weaknesses of human nature is the habit of applauding the politicians who cause the greatest expenditures and forgetting that these prodigals are likewise causing the greatest costs. In working for the taxless city, therefore, every effort should be made to educate the public to look upon the extravagant politician not as a dispenser of jobs and favors, but an imposer of costs and taxes.

UTILIZATION OF PERMISSIBLE PROFITS

Government, however, like business cannot exist merely by cutting costs. The life blood of business is income, and income is likewise the vital essence of a taxless city. It is possible to find many ways in which a municipality can make money without falling into the pitfalls of socialism. The perils of socialism are so real and grave that many people make the mistake of opposing all government activities indiscriminately. It is a fallacy to think that the way for a government to keep clear of socialism is to run at a loss, and that a government becomes socialistic when it makes a profit. Questions of profit and loss are entirely irrelevant. The test is not whether the municipality is making money or losing, but rather whether the activity in question is one which can more efficiently be formed as a private enterprise or as a public function. The test is not profit but propriety. If we can only rid ourselves from this delusion that there is something sacred about loss and something pernicious about profit, we shall at once open our eyes to a multitude of ways in which a city can make money without the slightest departure from the soundest principles of economics.

One of the most dangerous foes of democracy is the well-meaning but short-sighted citizen who demands that democracy shall be insolvent rather than solvent and that it shall be a subsidized philanthropy rather than a paying proposition. If you are against democracy, the surest way to put it out of business is to throw it into bankruptcy. A solvent and self-supporting business is the only one which can endure, and the city which pays its own way instead of hobbling on the crutch of inflated taxes is the only municipality which can permanently remain. The taxless city is not one of those trick communities set up by sweet people whose hearts are bigger than their heads, but a city which will rest on the bedrock of sound economics. It should be viewed not in the guise of a luxury but rather a necessity.

The need for developing such a city is constantly becoming more urgent as taxes become more grievous. A start was apparently made in Washington toward lessening federal taxes, but the total levies of federal, state and city governments are rising rather than falling. There was a time when the taxpayer could figure that he sacrificed for taxation about a week a year; but we are approaching such a pass that unless conditions are corrected people may presently be spending for taxes about a week a month. It is important to keep always in mind that people are paying taxes even if they never get a tax bill. Some of those who flatter themselves that they are legitimately evading taxes are the very ones on whom taxation rests more heavily, as would be seen if costs were individually itemized.

Business men naturally perceive situations of this kind more promptly and clearly than those not versed in economics. Business men in picking out a location for manufacturing or merchandising seek the city where taxes are most rational and shun the city where taxes are more confiscatory. Likewise among the communities themselves, here and there you find a city which has the intelligence and foresight to realize that it can attract the most substantial and desirable type of citizen, only as it offers him sane taxation.

The need for a taxless city becomes the more apparent as we examine existing cities and observe taxation's lack of uniform practice and systematized principle. When a business man finds improvement and progress in one branch of his business, he tries to extend the same benefits to all the branches. Progress toward the taxless city will be greatly promoted by taking advantage of the most promising governmental inventions and the most practical municipal discoveries wherever they may appear throughout the country.

STEPS TOWARD THE TAXLESS CITY

Unquestionably the city manager plan is a step forward. But its real interest is not so much in the meager results already achieved under adverse conditions as the forecast which it gives of what can be accomplished when we strive for a taxless city with our full sincerity and strength. Among other ways and means which will contribute toward the taxless city are the following: Budgets which are in practice, as well as on paper; long-range planning of public improvements in place of piecemeal response to necessity or whim; complete and continuous application of best modern methods throughout; efficient but rigorous accounting and auditing; simplification, standardization and centralization not only in all purchasing but in all other activities as well; reorganization of federal, state and local governments as to functions and taxes to avoid duplication without impairment of dovetailing; the improved coördination of local, state and federal highways; systematizing of fees and licenses to produce bigger revenues as well as better service; pegging the top limit of per capita debt by educating the people to the serious plight in which they have placed themselves; diffusion of knowledge that the greater taxes grow, the smaller become our hopes of successful democracy. The foregoing represent ideas endorsed by the business men as they found expression at a meeting of the United States Chamber of Commerce.

What is needed, however, is not merely to plug the bungholes of waste but to open the spigots of income. Everybody will admit in theory at least that something ought to be done to decrease waste. There will be very little open opposition to proposals for reducing government costs. Not so, however, when we turn to the companion problem of increasing government income. Here is a field which adjoins government ownership and operation, and therefore becomes debatable ground. To avoid futile controversy and to keep our bearings, it is well to stick to the basic principle of efficiency. Activities which ought to be carried on most efficiently by private enterprises should be left to these corporations. Activities which ought to be carried on most efficiently by the government should be thus handled. We should not be scared by mere words such as "government ownership and operation."

Those who have studied the subject from the technical viewpoint report that a city can develop an important source of income in the disposal of garbage, sewage, trash and ashes.

Our municipalities have hardly begun to take advantage of the inventions and discoveries in this field which make possible the reclamation and utilization of what were formerly our waste products. By constructing multi-decked streets in congested districts, the city could develop a source of large income.

TURNING THE PARKING PROBLEM INTO PROFIT

One of the most practical and promising sources of income for a city is connected with the parking problem. There are great possibilities in metered parking, not only for bringing order out of a chaotic situation but also for giving the city which adopts this progressive policy a source of great revenue. Thousands of motorists would welcome the opportunity of parking their cars at the curb in a safe and systematic manner. They would willingly deposit 25 cents in the curb meter for the privilege of parking, just as they drop a quarter in the gas meter in payment for lighting.

A successful machine has already been designed for installation at the curb of the street. Each motorist is provided with a combination-lock plug. Upon parking his car, he inserts his plug in the meter standing at the curb. After a given time the plug can be withdrawn by dropping a coin in the meter and thus tripping the locking mechanism and releasing the plug. If the motorist in a moment of carelessness or an attempt to beat the game should drive away and leave the plug in the meter, his identity would be promptly disclosed to the police, because each of the numbered plugs is registered in the name of the motorist to whom it was given out. The abandoned plug would betray its owner as promptly as if he had left behind his car. If the motorist upon drawing up at the curb fails to insert his plug in the meter, the accidental or intentional oversight would be promptly disclosed to the police because there would fail to appear above the meter the red light which shows that a car is parked legally.

The police would be relieved of the needless labor of timing and tagging. They would have complete control of conditions simply by noting: First, any parked cars above which a red light failed to show as these cars would be parked without the insertion of the plug in the meter; second, any plugs left in the meters without the presence of cars as these would belong to registered owners who had driven away without depositing the required coin. The whole plan would be a boon to self-respecting motorists, a blessing to the harassed police and a source of substantial income to the city.

I have explained this plan at some length because it is such an excellent example of what can be accomplished toward increasing a city's revenue, if only we attack the problem with sufficient intelligence and energy.

The issue of whether a city should increase its income through the sale of water, electricity and gas is a question almost sure to start a fight anywhere. I believe that indiscriminate public ownership and operation of any and all utilities might lead to evils worse than taxes. My own opinion is that it would be possible to work out some way in which a city could participate in utilities as a partner or stockholder and derive an income therefrom, without stumbling into socialism.

URGENCY OF THE SITUATION

A movement in these directions would help to set us on our way toward a taxless city. It is an objective the urgency of which impresses us increasingly as we survey the rate at which taxation is rising. Unless a halt is called and the tide is turned in the opposite direction, we shall presently be saddled with a burden of fifty dollars per capita for federal levies alone. Add twenty-five dollars more for state levies and then a crushing climax of possibly $100 for city costs and you will get a figure approaching $200 per person per year as the monetary measure of the "Old Man of the Sea" which each of us will presently bear on our necks if we submit to the inflation of taxes now in such rapid progress.

Consequently we have included federal and state government in this discussion of a taxless city. The municipal burden upon the citizen can be effectively eased only as the city in turn rids itself of the impositions of the state and as the state shakes off the millstones of federal taxes. Moreover, just as the reduction of costs must be accomplished by city, state and federal government alike, enlargement of revenue should be developed by all three spheres of government.

The whole subject of taxation is smothered in a most unfortunate psychology. Taxation is a theme for which the average man has small relish and usually a positive distaste. On the practical side, taxation has been turned over as the prey of politicians; while on the theoretical side it has been relegated as the sport of theorists and those whom we rudely call "cranks" and "nuts." One reason why the public in general shows little intelligent interest in taxation is because it has been regarded with a kind of fatalism as a necessary evil like death, which needs no contemplation because it affords no escape.

Under present tendencies, however, the nation cannot long continue in this lethargy. A rising flood of taxes is creating a situation which in the near future will become so critical that it will compel attention, analysis, and action. Danger-signs should be heeded alike by business men who are being taxed out of existence and by their customers whose purchasing power is being stealthily confiscated. History shows that a population has great powers of tolerance. Conditions may become exceedingly severe before they become finally insufferable; but there is always a critical degree or "flashing point"; and when this is exceeded, we get the inevitable explosion.

Temporary hard times the public can withstand and survive. According to the law of action and reaction, a period of prosperity generates weaknesses which bring on a readjustment; depression in turn develops the qualities which are the foundation of another period of prosperity. If held within reasonable limits, periodic ups and downs of business need not permanently injure a nation; in fact, it might almost seem that a moderate ebb and flow of economic activity may produce a hardy nation just as the alternation of seasons is said to create superior constitutions among the peoples of the variable climes. The evil of taxation, however, is not periodic but cumulative. It is persistently and increasingly sapping our economic strength.

The question now at hand is not whether we shall exert ourselves to bring about the taxless city but rather how soon we shall adopt this only possible remedy for a situation steadily becoming more impossible. Shall we delay until we are in the midst of an actual economic and social upheaval or shall we foresee that contingency and forestall it by tackling the job at once?

QUAINT ELECTRIC RATES

BY MORRIS LLEWELLYN COOKE

A lesson drawn from existing electric rates on the Island of Nantucket. :: :: :: :: :: :: :: ::

FIVE or six years ago, when making the field studies for the Giant Power Survey during Governor Pinchot's administration, we came upon one instance of a 30-cent per kilowatt-hour rate for domestic electric service. Realizing that any such rate was—speaking biologically—a sport, it was brought to the attention of the genial head of the holding company responsible. When some months later our report was drafted this particular rate had dropped to 15 cents per kw. h.

This incident had all but escaped my memory when this summer I visited the Island of Nantucket, about thirty miles off the Massachusetts coast, and discovered these rates now current there:

Nantucket—all year service—20 cents per kw. h.
Nantucket—summer service—26 cents per kw. h.
Sconset—summer service—28 cents per kw. h.[1]

These Nantucket rates—as was the case with the 30-cent Pennsylvania rate—represent a day that is completely gone. They are what they are not because anyone can be found to defend them, but rather because they have never been questioned. No one should assume that equitable electric rates come more or less automatically under our system of regulation. Rather are they the product of some vigilance. There are probably thousands of these quaint electric rates throughout the United States which can be reduced almost for the asking if —someone will take the trouble.

PROBABLY NO HIGHER RATES IN THE U. S.

There may be a higher rate somewhere in the United States than the 26 cents per kilowatt-hour for the first 50 kw. h. charged by the Citizens' Gas, Electric and Power Company for summer service in Nantucket (28 cents per kw. h. in Siasconset); but if so, I have never heard of it. And I have been specially interested in this field for some years past. It is not only the top rate that is high. Even more unusual is the fact that the average rate for all metered customers appears to be 16.4 cents per kw. h. A quite common private company average for comparable plants would be 4 to 6 cents per kw. h. In territories where a considerable part of the current is used for power this average would be between 2 and 3 cents. In the case of many, many privately-owned plants all over the United States operating under generally comparable conditions to those found in Nantucket, 10 cents is the top rate. In advance of a careful study of all the data, one hesitates to be dogmatic in such a matter, but, based on the facts before me, 10 cents would appear to be an altogether adequate top rate for Nantucket even for summer service. "Quaint," although not the only word which describes a 26- or a 28-cent rate for electricity under present-day conditions, suits our purpose.

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[1] Readers of this REVIEW will be specially interested in the fact that among the Sconset rate-payers is the Hon. Frederic C. Howe, one-time lieutenant of Tom Johnson, later U. S. immigration commissioner at New York City and still later major-domo in the army of five million who voted for LaFollette for President. Fred takes these high rates unemotionally as he does other features of the Nantucket milieu, such as the wonderful bathing, narrow streets, incomparable lobsters and fog-swept golf courses.

There are no unusual handicaps in providing electric service on the Island of Nantucket even if it is thirty miles offshore. True, it is not "tied in" —as the expression goes—with a widespreading interconnected system. But this situation is not unknown on the mainland. Publicly-owned plants are quite usually as isolated as is the Nantucket plant. This is true, for instance, of the municipal plants at Springfield, Illinois, with a top rate of 4.8 cents; of Hudson, Massachusetts, with a 5-cent top rate and Jamestown, New York, with a 4-cent top rate; and of scores of others in smaller communities among which even a top rate of 10 cents would be exceptionally high.

Notwithstanding the limited use of electricity for manufacturing in Nantucket, the average annual use per customer (440 kw. h.) is quite satisfactory considering the high rates—higher, in fact, than is the case with the great majority of small plants in Pennsylvania charging much lower rates. The special value of a domestic load is being demonstrated during the current depression. While the industrial demand for electricity has gone off considerably, reports show that the domestic use is forging ahead more rapidly than ever before. It has long been recognized that the use of electricity in the home does not vary with the business cycle. The gas business done by the Nantucket company does not appear to be as good a revenue producer as the electric business. But this should not act to raise electric rates. Each service is supposed to stand on its own feet.

DEEP MYSTERY SURROUNDING RATE QUESTION

The electrical industry has—to a very large extent I believe unwittingly —succeeded in surrounding the rate question with an air of deep mystery. Certainly the attitude of the public toward electric rates is quite in contrast to that frequently displayed in the discussion, for instance, of gas rates. It appears to be as much a part of the American tradition to know what a gas rate or a street-car fare ought to be as it is to know how to handle a squirrel gun, to have well-shined shoes or to live in a house with a tight roof. But in the face of an obviously extortionate rate for electricity, we stand almost impotent whether it be a Jerseyman paying 9 cents, a Kansas farmer paying 15, a citizen of Yonkers (N. Y.) paying 11 or a Nantucketer paying 26 and 28 cents per kw. h.

As explained in a pamphlet, "On the Cost of Distributing Electricity,"[1] the whole cost of domestic electric service is made up of four items: (1) generating the current, (2) transmitting the current to some center of distribution, (3) distributing the current or taking it from the high tension substation at the end of the transmission line to the wires which enter the house, and (4) general expense—officers' salaries and other relatively minor items which cannot be directly allocated to generation transmission or distribution. Perhaps "other relatively minor items" should be put in quotation marks, because it is under this head one frequently finds inflated operating entries growing out of the holding company relationship which are anything but "minor." Legitimate general expense items will be of the order of 10 per cent of the whole cost.

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[1] This pamphlet and its consort, "What Price Electricity for Our Homes?" can be secured free of charge—through the generosity of a friend of good government—upon application to the writer at 1520 Locust Street, Philadelphia, Pennsylvania.

THREE CENTS MAXIMUM COST OF GENERATION

It may cost about 2 cents per kw. h. to *generate* Nantucket's current—certainly not over 3 cents per kw. h. Diesel engine installations much smaller than that of the citizens' company are sold on cost guarantees considerably lower than these estimates. In the Worcester (Mass.) electric case, recently heard by the Massachusetts Public Service Commission, the generation cost was fixed at just over one cent per kw. h., and the station equipment used is not as modern as is found in Nantucket. In the Federal Trade Commission investigation costs for current have ranged as low as one-fourth cent and rarely above one cent. Coal costs the Nantucket company on the average about $5.00 a ton—which is not more than a dollar a ton above what our electric companies pay here in Pennsylvania. Nor is this price materially different from what is paid on an average at low-cost New England generating stations. So there does not appear to be anything in the generation expense to warrant an unusual price. The territory covered by the Nantucket electric company is so limited that the *transmission* expense is negligible.

The *distribution* cost should be practically as low as it is anywhere. The settlements in the Town of Nantucket are fairly compact and yet on a quasi-rural basis where there is no necessity for underground work or other expensive construction. The distribution cost would probably[1] not be more per kw. h. than in a town like Worcester (Mass.), where the top rate for electricity is 5 cents per kw. h. There are only 44 miles of transmission and distribution lines on the Island giving an average of nearly 30 customers to the mile.

Distribution is just as necessary in Ottawa (Ontario) as it is in Nantucket. Yet in this Canadian city the average whole cost of electricity to the domestic consumers in 1928 was less than one cent per kw. h. —eighty-seven hundredths of one cent to be exact.[2] Ottawa is immediately adjacent to one of the cheapest water powers in the world, so transmission expense is at a minimum. Because of the cheapness of the current the average householder uses approximately 2500 kw. h. annually—slightly less than six times the current average American consumption. But having said all this, the distribution paraphernalia and methods used in Ottawa must necessarily be largely identical with those used in Nantucket. There is no obvious reason why the capital outlay per customer for distribution equipment in the two places should be different.

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[1] As to distribution costs one must rely largely upon individual opinion. Curiously enough, there are no commonly accepted standards as to distribution costs as there are for generation, transmission and other features of electric service. Distribution expense is an item peculiar to domestic service. It has never been discussed before any engineering or other technical gathering in this country. This all-important technical detail is held to lie outside the field of engineering. Its discussion is virtually prohibited.

[2] See "Economic Aspects of Electrical Supply in the House and on the Farm," by F. A. Gaby, D.Sc., M.E.I.C., Chief Engineer Hydro-Electric Commission of Ontario, Canada, a paper presented before Second World Power Congress, Berlin, Germany, June 16–25, 1930, and reprinted in the July, 1930 issue of *The Engineering Journal*, published by the Engineering Institute of Canada, 2050 Mansfield Street, Montreal, P. Q.

DISTRIBUTION COSTS IN OTTAWA

The only reason for a lower distribution cost per kilowatt hour in Ottawa is that more units of electricity pass over the wires in a given time. After all, the whole expense for generation, transmission, distribution and general is included in the price per kw. h. of 0.87 of one cent average rate. Allow two and a half mills per kw. h. for the current, transmitting it and general expense, and there remains slightly over six mills as the whole cost of distribution. Say distribution expense in Nantucket is five times as much as it is in Ottawa, or about 3 cents per kw. h. Using the 10 cents which has been suggested as a proper top rate and allowing 2 to 3 cents for the current, you still have 4 to 5 cents left wherewith to pay general expenses, taxes, depreciation and fixed charges.

Almost any other community in Ontario would have been practically as useful as Ottawa in making the foregoing computation. Indeed the average selling price—which is cost—per kw. h. for the province as a whole was 1.71 cents in 1928, as contrasted with an average in the United States of between 6 and 7 cents per kw. h., which price, of course, includes (1) about 8 per cent for taxes and (2) the profit item; neither of which is required under the Ontario publicly-owned system. But more striking even than this is the fact that the average whole cost for domestic electricity in 188 villages in Ontario under 2,000 population was only 2.8 cents in 1928. Distribution is necessarily a factor in domestic electric service everywhere. There is nothing inherent in the Ontario situation making possible results different from those that can be obtained elsewhere. Says Chief Engineer Gaby: "The water powers of Ontario are in no sense phenomenal, and the low costs of service to consumers which prevail in the province cannot be attributed solely, or even principally to low costs of generation, *per se*." And notwithstanding this low cost of power he says: "The costs of bulk power to municipal utilities materially exceed the costs for distribution within the municipality."

NANTUCKET COMPANY WELL MANAGED

Judging by the data to be found in Moody's Manual about this Nantucket company, the ratio of gross receipts to operating expenses indicates a reasonably high level of management. Neither the load factor (about 32 per cent) nor the annual use factor—notwithstanding the large proportion of summer residents—appear unfavorable. But an installed capacity of 1125 kw. to handle a maximum load of 357 kw. does give one pause! Two theories suggest themselves—either the company has largely overbuilt to meet prospective future needs or, after recently installing some modern generating units, failed to write off its unused or obsolete equipment.

This discussion of the Nantucket situation really has quite a broad application. Relatively few domestic rates among the tens of thousands rest on any substantial factual basis or come near meeting such a standard for instance as "cost plus a reasonable profit." The differences between American and Canadian costs and charges are so great as to tax one's credulity. "Are we talking about comparable things?" one is almost forced to ask. Such differences can only be accounted for by the fact that at every construction and operating stage unusual tribute is exacted here in this country, with the net result that our rates are so high as to preclude generous use and the social economies that go with it. Unless we can break this vicious circle, electric service in the home and on the farm will remain but the shadow of what it might be, and what it actually *is* in Canada and in parts of Europe.

Our high rates for domestic service lead more or less directly to the abuses of holding companies such as 100 per cent over-night "write-ups," management contracts at fees four times the cost of the service, loans at usurious rates, etc.—as is now being developed by the Federal Trade Commission investigation. The margins afforded by the high rates for domestic service are too much to be resisted by normal promoters. It will be recalled that while only about 21 per cent of the current generated is used in domestic service almost two-thirds of the revenue is received therefor.[1]

MISPLACED CONFIDENCE IN PUBLIC SERVICE COMMISSIONS

The domestic electric rate situation is what it is largely because the people have been led to believe that the public interest is being adequately safeguarded by our public service commissions and that current rates have—in some measure at least—been adjudicated. Through the high-powered advertising of the private companies this statement has been so broadly and repeatedly made that even well-posted citizens are left with the idea that there is not very much to do about it. For instance, I find this paragraph in the October issue of a monthly magazine largely devoted to the interests of women and the home (i.e. *Good Housekeeping*)—in the course of an article giving advice as to investments:

> Nearly all states have commissions to regulate public utilities. They protect the public from burdensome rates and unsatisfactory service, at the same time setting rates high enough to give a fair return on invested capital. They also pass on new security issues, preventing inflation and stock watering—a protection both to the public and to the investor.[2]

Except for the opening sentence the statements made in this paragraph are largely without any foundation in fact. It is true that our public service commissions are authorized to review rates. But rates are fixed in the first instance by the companies. Except upon complaint, and after hearings a commission rarely acts to review or adjust a rate. During the seventeen years since it was established the Pennsylvania commission has never reviewed or adjusted a rate on its own initiative. There is nothing on the record to show that these Nantucket rates have ever come to the notice of the Massachusetts commission.

So through insisting on having a "quaint" electric rate adjusted, one is doing more than safeguarding one's own pocketbook. In forcefully demanding some measure of equity in this matter of electric rates—first through the service company and then, if relief is not afforded, through the public service commission—one is rendering a very valuable public service. The social value of electricity cannot be developed until the current standard of rates for domestic service is markedly reduced.

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[1] See advertisement in *Electrical World*, February 5, 1927.

[2] The Mass. P. S. C. supervises approximately 400 public utility companies.

WHY SOME CITIES HAVE ABANDONED MANAGER CHARTERS

II. EXTRANEOUS CIRCUMSTANCES AND POLITICAL CONDITIONS

BY ARTHUR W. BROMAGE

University of Michigan

The concluding installment of series on reasons for the abandonment of manager charters by seventeen cities. :: :: :: :: ::

A GROUP of cities has already been considered in which defects in the specific charters or disadvantages inherent in the manager plan itself led to its failure. A second class includes municipalities which lost their manager charters through circumstances largely extraneous to the plan itself. These contributory conditions were in general of an economic or legal nature.

GROUP II

TAMPA, FLORIDA

City manager government was established in Tampa, Florida, in January, 1921, by home rule charter. During 1927, the legislature provided a commission form of government for Tampa subject to local referendum.[1] Tampa accepted this 1927 charter by a vote of 4,750 to 1,057.

While some prominent residents hold that the abandonment of Tampa's manager charter was due to "purely political reasons," others point to the "collapse of the boom." A former city manager blames the "old-time politicians" who "wanted the city run on a political basis and not on a business basis." As a lawyer puts the case, the members of the commission under the manager plan "were prominent business men," but "for political reasons they were ousted."

On the other hand, a public official of Tampa claims that the manager plan was costly and unrepresentative. "The indebtedness of the city," he writes, "was enormously increased, and it is certain that large sections of the city and a considerable element of the population were given scant consideration."

Typical of the opinions of prominent business men who blame the collapse of real estate for the failure of the manager plan is the following: "During the boom . . . many projects . . . seemed desirable and necessary. This resulted in a heavy tax burden. With the collapse of the boom many of the projects seemed unnecessary and extravagant. . . . This gave the politicians an opportunity to bring about legislation . . . to reinstate the councilmanic form of government." The "unrest and desire for change brought about by post-boom conditions" was certainly an extraneous circumstance greatly to the advantage of those who opposed manager government in Tampa.[2]

LAKE CITY, FLORIDA

In 1921 the Florida legislature by special act provided a city manager government for Lake City subject to a local referendum.[1] From those now holding public office in this city come criticisms of the "lack of ability of . . . city managers," the "cost of operation," and doing "things too lavishly." In 1927 the legislature by special act gave Lake City a commission form of government with an elective mayor-manager as the administrative head. This in the words of a public official was "politics—our senator to the state legislature legislating the mayor (under the manager plan) out of office."

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[1] Florida, *Special Acts* (1927), chap. 13448 (no. 1642).

[2] The charter of 1927 gave Tampa a commission form of government. It provided, however, that the "city commission may hereafter provide for the employment of a city manager . . . by ordinance." Florida, *Special Acts* (1927), chap. 13448, sec. 2.

The act of 1927 provided for four ward commissioners and one elected at large. The commissioner-at-large was to be ex officio mayor, with all duties pertaining to that office and any duties formerly devolving upon the city manager.[2] According to the present mayor, this combining of the offices of mayor and manager was a saving to the city which justified the action of the legislature. The act of 1927 made no provision for a local referendum.

FORT MYERS, FLORIDA

Fort Myers, by home rule charter, established a city manager government in 1921. Eight years later this charter was abandoned. "During the real estate boom," writes a former city manager, "Fort Myers, like other Florida cities, anticipated great growth and expanded its territorial limits, its water and sewer system, etc.(and consequently its bonded debt). . . . The reaction to this after the collapse of the boom resulted in cries for retrenchment, dissatisfaction with tax rates, non-collection of taxes and criticism of the commissioners and city manager. Several unsuccessful recall elections were held,[3] and finally, as one means of ousting the majority faction, as well as offering a sop to the discontented people, the charter was changed to the mayor-aldermanic form."

A similar version comes from the pen of a business man: "The recent change in the city government . . . was not due to specific defects in the city manager plan. With the economic depression which followed the Florida boom came political unrest and dissatisfaction with existing political conditions. . . . If we had had a mayoral form of government, the change would have been the other way round."

The change to a mayor-council charter was effected by the local representative's having a bill passed by the legislature. This set up a mayor-council form of government for Fort Myers subject to a referendum vote.[4] It was adopted by a vote of 958 to 822 on June 12, 1929.

ST. CLOUD, FLORIDA

By charter amendments St. Cloud set up a manager plan of government in January, 1925. These amendments were confirmed by the legislative session of that year.[5] In St. Cloud, as in Fort Myers, the city manager government paid heavily for the deflation of the real estate boom.

As a resident states the situation, the plan was abandoned in St. Cloud because of "unwarranted expenditures of public money during the so-termed boom, which immediately followed the change to the manager form." Criticisms from those who observed the workings of manager government in St. Cloud, label it as an "expensive" form of government and one in which there is apt to be a "squandering" of public money. The present mayor of the city writes that the charter was abandoned "to reduce expenses." The opprobrium heaped upon the manager plan goes back fundamentally to the general reaction after real estate values crashed.[1] The present charter, providing for a commission organization, was passed by the legislative session of 1929 and adopted at a local referendum.[2]

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[1] Florida, *Special Acts* (1921), chap. 8993.

[2] *Ibid.* (1927), chap. 12962, sec. 1.

[3] Cf. this REVIEW, vol. 16 (Oct., 1927), p. 611.

[4] Florida, *Special Acts* (1929), chap. 14052.

[5] *Ibid.* (1925), chap. 11207.

DEARBORN, MICHIGAN

Dearborn had a population of 2,470 by the census of 1920, and did not become a city until February, 1927. In the following September Dearborn established a manager government by home rule charter. Less than two years later the people of Dearborn voted to consolidate with Fordson, thereby creating a new Dearborn of approximately 50,000 population.

The decision of the commission which drew up the charter for the combined cities of Fordson and Dearborn was in favor of the mayor-council plan and against the manager plan. Eight of the nine commissioners were from Fordson. "Most of them had for years been dealing with the type of government they selected for the new city (of Dearborn). They knew just how it worked, it satisfied their voting friends, and it was adopted by a good majority."[3] The manager plan was accordingly abandoned when the consolidation was effected.

MISSIONARY RIDGE, TENNESSEE

By special act of the Tennessee legislature, Missionary Ridge received a city manager charter in 1923.[4] The manager plan seemed quite successful in this small community. Yet it was in operation for only six years, since Missionary Ridge was annexed by Chattanooga in 1929.

MICHIGAN CITY, INDIANA

Michigan City, Indiana, established the city manager form of government in January, 1922, making use of the general optional act of the state. On September 24, 1929, the supreme court of Indiana declared the state council-manager law unconstitutional in the application of section 3 to the city of Indianapolis. The court further pointed out that "if the act is inapplicable to one city in the state, the act is not a general law of universal application." It followed that it was void for conferring special privilege contrary to article 4, section 23, of the constitution.[5]

After the decision of the Indiana supreme court, the last officers under the mayor-council government of Michigan City filed suit in the La Porte superior court in Michigan City to enjoin the officials acting under the city manager government. An injunction was granted and the old mayor-council government resumed operation on October 22, 1929. On

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[1] Information from Collinsville, Oklahoma, is scant. However, it seems logical to include Collinsville in Group II inasmuch as a former manager maintains that "the town's population had shrunk because of the loss of some factories, and it was therefore unnecessary to . . . continue employing a business manager." Collinsville became a city manager city in 1914. Ten years later the people decided by a slight vote to abolish the manager plan. The last city manager of Collinsville writes that she is now city clerk, and performs very much the same work under this new title.

[2] Florida, *Special Acts* (1929), chap. 14377.

[3] One of the commissioners writes: "Not many on the commission had made a study of the manager plan. . . . A number had served as mayors or councilmen." Another holds that mayor-council government "is a better and more economical form." A third states that "it was the prevailing opinion that the manager plan offered too much opportunity toward a one man power."

[4] Tennessee, *Private Acts* (1923), chap. 333.

[5] *Keane* v. *Remy*, 168 Northeastern 10.

November 5, a municipal election was held to elect new officers under the mayor-council government. This was one of the most unusual and untimely exits ever taken by a city manager charter.

SUMMARY OF GROUP II

The experience of the Florida cities shows that the manager plan is no guarantee of prosperity. Friends of manager government need to be on the alert during periods of economic depression, for it appears that the people of municipalities then like to change not only their rulers but also their charters. The process of annexing a small city manager city to a large municipality is another easy way for a manager charter to pass out of existence. A remedy comes readily to mind as a solution for the Indiana situation: home rule for cities.

Group III

A group of cities which gave the manager plan a brief trial under political conditions does not necessarily prove anything against it. They have had the plan in letter possibly, but not in spirit.

HOT SPRINGS, ARKANSAS

By what was really a special legislative act, Hot Springs received a city manager charter in 1917. The plan began auspiciously with a council of business men. Unfortunately, after the first term, as a prominent banker writes, "it was impossible to secure representative business men to fill the offices. . . . Soon the politicians had the commission" under their control. In addition, a mayor was chosen who had held that office in the pre-manager days.[1]

The opponents of the manager charter by going to the legislature succeeded in getting through a bill calling for a referendum on March 15, 1921. "The time was fixed," states a former city manager, "just at the height of our season, when everybody was busily engaged and had little time to think of politics. This left the field of activity open to the . . . politicians. . . . The vote only carried by a majority of forty." As a result of this referendum, Hot Springs abandoned the manager plan for a mayor-council government.[2]

LAWTON, OKLAHOMA

Lawton adopted the manager plan by home rule charter in 1921 and abandoned it in 1923. The speedy rejection of the manager charter is variously attributed to "purely selfish politics," lack of a "fair trial," "political reasons" and the attitude of the city clerk who "headed a movement to oust the manager."

"Three-fourths of our heavy taxpayers," a resident maintains, "are emphatically for the managerial form. . . . If the non-taxpaying and city-jobseekers were to be disfranchised the plan would carry by a large majority. It was not a failure by any means . . . ." It is doubtful whether Lawton like the other cities in this group ever really had city manager government in spirit. The manager charter survived the gauntlet of politics for only two years.

NASHVILLE, TENNESSEE

The city manager plan never took root in Nashville. After thirty years under the mayor-council charter of 1883, Nashville tried the commission plan from 1913 to 1921. Under the commission plan a public official notes that "factionalism and wrangling arose. . . . It was that condition . . . coupled with the inexplicable desire of a section of the public to try . . . a city manager form of charter . . . with the political ambitions of individuals and groups which led to the repeal of (of the law providing) the commission form."[1]

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[1] Cf. City Managers' Association, *Eighth Yearbook* (1922), p. 6, for a good analysis of what happened in Hot Springs. The manager plan inherited a heavy deficit and was hampered greatly by lack of funds.

[2] Arkansas, *General Acts* (1921), Act 165. Although the act of 1921 was general in form, its effect was to permit the people of Hot Springs either to retain the city manager plan under the act of 1917 or to reject it and return to mayor-

But the manager plan fared no better than any other. The first election turned the council into an electoral college for the choice of a mayor-manager, to whose selection candidates pledged themselves in advance. The unwritten charter of Nashville became paramount to the written. In the election of July, 1922, a political faction which advocated a return to the old councilmanic charter of 1883 swept the field.[2] After two chaotic years, the public demand was so great that the manager charter was repealed.[3] In its place Nashville received a form of government substantially similar to that established by the mayor-council charter of 1883.[4]

AKRON, OHIO

The city manager plan of Akron went into effect in January, 1920, by home rule charter. This charter was amended in 1921 and again in 1923. In the latter year the duties of the manager were transferred to an elective mayor. Akron then became one of our so-called mayor-manager cities.

The first manager was a former mayor of the old régime. Under the charter of 1920 he was again elected mayor. He resigned and was selected as manager by a council of his own political friends.[5] This maneuver was made possible by an omission in the Akron charter. It did not include that provision in the model city charter which makes it impossible for a councilman to be appointed manager during the term for which he is elected.[6] The alleged deal which resulted in the selection of Akron's first manager was a demonstration of the necessity of this provision. The second manager was a local business man; the third was a qualified engineer.

From authentic critics come varying opinions as to the failure of the manager plan in Akron. "Lack of support on the part of an indifferent public" was the chief cause in the mind of a former manager. According to another manager, the plan itself was at fault. "The manager," he writes, "with his large executive and administrative powers was too far removed from direct responsibility to the electorate. The political parties made his administration an issue in our primary and election and defeated the purpose of the plan."

A well-organized opposition to the city manager plan brought about the

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council government under the general laws applying to first class cities.

[1] This was Tennessee, *Private Acts* (1921), chap. 193. Section 11 provided for the selection of a mayor who had the powers of a business manager and served at the same time as chief executive of the city. He was in effect a mayor-manager selected by the council. This charter measured by the model charter was very defective. It had the same flaw as the charter of Denton, Texas; namely, the union of the offices of mayor and manager.

[2] Arthur B. Mays, "Nashville: A Study in Political Pathology," in this REVIEW, vol. 12 (Jan., 1923), p. 12.

[3] Tennessee, *Private Acts* (1923), chap. 39. This took effect on June 5, 1923.

[4] *Ibid.*, chap. 125.

[5] Cf. E. W. Creecraft, "Akron Drops City Manager" in this REVIEW, vol. 12 (1923), p. 639.

[6] National Municipal League, *A Model City Charter*, sec. 15.

charter modification of 1923. In decided contrast was "the lack of a citizen organization to protect the charter." In the referendum during August those who supported the manager plan had to cope with "opposition from both political parties and two newspapers." In the election about thirty per cent of the registered voters went to the polls. The change to the elective mayor-manager was carried by the small majority of 172 votes.[1]

SUMMARY OF GROUP III

The duration of the manager plan in this set of cities was indeed brief. Hot Springs retained the plan for four years; Akron for not quite four years; Lawton and Nashville for approximately two years. Would it prove anything about the English system of parliamentary government if we tried it for two, three or four years and then rejected it? In this group of cities, the opponents of the manager plan in the absence of an effective citizen organization, secured control of the government and shaped the city manager plan to their own ends. Finally, when they had discredited the manager plan by their own manipulations, they carried the referendum to abolish it because there was no active, organized campaign in defense of the manager charter.

THE STRATEGY OF TAX REFORM

BY HERBERT D. SIMPSON

Of the Institute for Economic Research, and Professor of Economics, Northwestern University

How the Chicago Joint Commission on Real Estate Valuation inspired popular sentiment for reform of tax injustices. :: :: ::

In the widespread agitation over tax questions that has been going on during the past two or three years, the writer has been impressed with the emphasis that has been placed upon the details of tax "programs" and specific legislation, and the small amount of systematic attention that has been given to the strategy of accomplishing these results. It is true, the end is more important than the means. But the mere *importance* of an objective will not bring it about, whereas the choice of the right means often will.

THE IMPORTANCE OF MEANS AS WELL AS ENDS

The practical politicians exactly reverse the order of importance: the objective—high tariff or low tariff, World Court or no World Court, income tax or sales tax—is entirely immaterial; the means of winning an election are all-important. Indeed, the objectives are important at all only *as means* of winning the election. Honest citizens will not go this far, and sincere reformers cannot; but nevertheless a little more systematic attention to the strategy of tax reform will help greatly in achieving honest objectives.

The writer has had the opportunity of watching the development of a tax movement during the past three years, under conditions which made any effective movement as nearly impossible as it could be. This is the recent movement in Chicago. He has been impressed with the effectiveness of the strategy employed; and an analysis of this strategy is offered in the following pages, in the hope that it may contain some useful suggestion for similar movements elsewhere.

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[1] Cf. this Review, vol. 12 (1923), p. 639.

The analysis here will be concerned with the policy of the Joint Commission on Real Estate Valuation, which has been the most active factor in the general movement in Chicago thus far. Many other organizations and groups have participated in the movement at particular points, and in some cases their participation has been indispensable. But the Joint Commission on Real Estate Valuation is the one organization that has been continuously in the field and has been working actively and systematically for far-reaching changes in the tax system.

POLICY OF JOINT COMMISSION

This commission was created by the Cook County board of commissioners in January, 1927. It was originally composed of members of the board of assessors and board of review, other government officials, and representatives of various business and civic organizations. The official members, however, declined to participate in the meetings or work of the commission, almost from the first, so that it became virtually a citizens' organization. George O. Fairweather, business manager of the University of Chicago, was made chairman. John O. Rees, formerly with the New York Bureau of Municipal Research, was brought to Chicago as executive secretary, and later director, of the commission.

The commission had originally hoped only to induce the board of assessors and board of review to adopt voluntarily some systematic methods of assessment, which would remove the most flagrant inequalities of the old assessment and establish more or less permanently somewhat higher standards of assessment in Chicago. The obstinate refusal of these boards to listen to any suggestion for improving assessments forced the movement in the direction of a compulsory reassessment. This reassessment was eventually ordered by the state tax commission and has now been completed. Meanwhile, the Joint Commission and other groups have been shaping the movement toward the accomplishment of broader objectives in the form of administrative reorganization and new forms of tax legislation.

These things will not be discussed here. Altogether they represent an overturn in the situation so revolutionary that two years ago it would have been considered utterly impossible. But here we are concerned only with the strategy by which it has been brought about. Perhaps it should be added that the writer is making this analysis without the knowledge of any of the members or associates of the Joint Commission. He is looking upon the movement from a thoroughly "academic" standpoint and trying to analyze it, very much as his colleagues in the history department are trying to analyze the strategy of the Marne and other great combats, which may not after all have more significance for human progress than such combats as that now going on in Chicago.

GETTING THE FACTS

The fundamental element in the whole strategy has consisted of facts—getting the actual facts. This portion of the work has continued throughout the entire period since the creation of the Joint Commission; but the first body of essential facts was secured by June, 1927, and was embodied in preliminary reports of the Joint Commission and of the writer. These facts were submitted, before publication, to the board of assessors; opportunity to present them to the board of review was refused. Thereafter the Joint

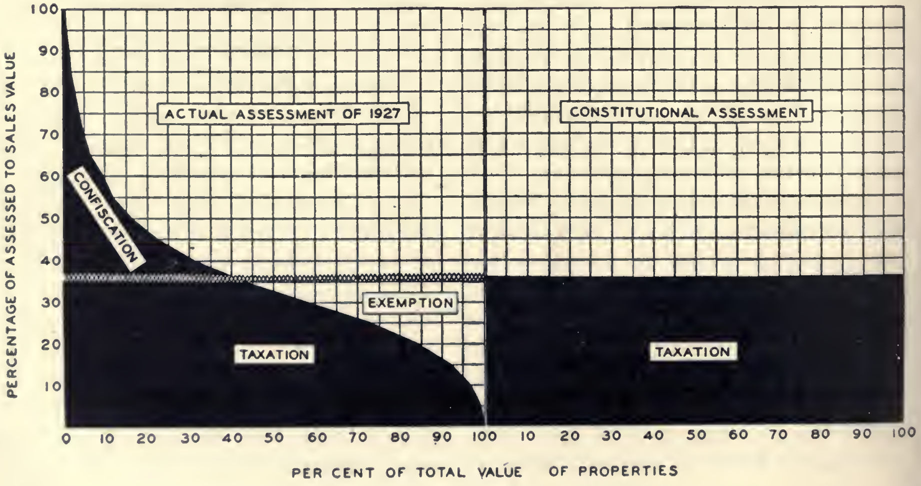
Commission never dealt in generalities: the average rate of assessment in Chicago was no longer "around 60 per cent," it was 31 per cent; 250,000 properties in Chicago were assessed at less than 20 per cent, 90,000 properties were assessed at 50 to 100 per cent; Calumet was assessed at 10 per cent, Rogers Park at 33½ per cent; vacant land was assessed at 20 per cent, commercial property at 36 per cent; small homes were assessed at 33½ per cent, large homes at 28 per cent; the whole assessment was "40 per cent off"; and that portion of taxes collected in Chicago through a process of virtual confiscation amounted to $30,000,000 annually.

It ought not to be difficult to understand why facts such as these secured a hearing where vague generalities about inequality and discrimination had been going on indefinitely without creating a ripple of interest. But it was a new type of strategy in Chicago, where the tendency on public questions has been to rely on large-scale "publicity," propaganda, organization, influence, political agencies, and almost everything else than the plain, rock-bottom facts of the problem. The helplessness of the board of assessors, board of review and other political organizations before this new line of attack was pathetic and sometimes amusing.

GETTING THE FACTS TO THE PUBLIC

Next to reliance on the facts, the most striking element in the policy of the Joint Commission was the effectiveness of the means developed for getting these facts to the public. In the first place, the facts themselves were set up in the form of charts which could be presented at public meetings and which brought out the significance of the facts beyond doubt or peradventure. It will be of interest to students in this field to recall that in discussing the range and distribution of assessments, the conventional "frequency curve," or area, which has always been used for this purpose, was at first employed. It was found that for most audiences it required elaborate explanation and left hazy results in the minds of hearers. Consequently various forms of cartographic representation were devised, including finally the "more than" curve, combined with the "level of uniformity," illustrated in the accompanying chart. On the first

GRAPHIC PRESENTATION OF UNEQUAL ASSESSMENTS OF CHICAGO REAL ESTATE



occasion when this type of chart was displayed, the writer felt obliged to explain it as carefully as he had been accustomed to explain the usual "frequency curve." After what he believed at the time to have been a particularly skillful explanation, someone in the audience remarked: "Before you explained that curve, it was perfectly clear." The *bon mot* was accepted as an authoritative "O.K." of that form of representation. Thereafter "that curve" was allowed to speak for itself; and, so far as the writer was able to detect, no one in later audiences was unable to decipher the difference between the curve showing *where the assessment was* and the straight line showing *where it ought to be.*

In the second place, the Joint Commission adopted the policy of disclosing the facts to small gatherings, representing organizations and groups that were vitally interested in the question of assessments. This included representatives of the real estate boards, of the building owners' and managers' associations, and of various property owners' and community organizations. Through these representatives the facts were carried in a particularly effective way to the members of the various groups.

In the third place, the commission arranged meetings throughout every quarter of the city, at which the facts were presented. These were not mass meetings, however, but meetings of particular organizations or groups, with audiences varying from a dozen souls to two hundred. At these meetings the speakers were members of the commission or others associated directly with the work of the commission. Their subject invariably dealt with the simple facts of the situation. Most of them were amateurs at public speaking; some of them had difficulty in making themselves heard by an audience of more than two hundred; and none of them certainly could lay claim to any oratorical capacity. The writer cannot recall at the moment a single such meeting at which the commission was represented by a political orator or a professional speaker of any kind. But the commission adopted the policy of putting itself at the service of any group, large or small, "high-brow" or "low-brow," radical or conservative, that wanted to know anything about taxes. The result was a kind of "university extension" course in taxation of a kind that had not been "offered" in Chicago before.

And a final agency in getting the facts to the public was the press. The daily papers, trade journals, and local neighborhood publications gave generous space to the materials, including even the tabulations and charts, carried accounts of the meetings, speakers and addresses, and made vigorous editorial comment from time to time upon the situation.

CRYSTALLIZING SENTIMENT

After getting the facts and getting the facts to the public, the third element in the policy of the commission was a resolute refusal to adopt beforehand any specific program of tax legislation or tax policies. Instead, the commission engaged more or less everybody in Chicago, who could be induced to participate, in a continuous series of conferences, discussion, and comparison of ideas, with a view to building up the elements of a tax program only so far and so rapidly as the ideas of Chicago people appeared to have crystallized with reference to the problems involved. It was a kind of process of distillation—pouring a body of pungent facts into the consciousness of 3,000,000 people, giving them time to ferment, and then distilling the product, through the long, winding "worm" of conference and discussion, in the form of proposed legislation and policies. It is a slow process for developing a legislative "program"; but the revolutionary change that has taken place in the attitude of Chicago people toward constructive tax policies is evidence of the effectiveness of this process.

FOCUSING PUBLIC OPINION UPON GOVERNMENT

The fourth element in the strategy of the commission consisted in bringing the pressure of public opinion, as such opinion developed, to bear upon the governmental departments concerned. These included at different times the board of assessors, the board of review, the county board, the state tax commission, the joint legislative revenue committee, the governor, and the legislature. This task fell upon the chairman of the commission, Mr. Fairweather, who, in the face of apparent impossibility, pressed the position of the commission courageously, persistently and, it must be said, almost single-handedly. But this last process was the spearhead that gave thrust to the work of the commission.

Its results have continued much beyond the point which the commission originally had in mind and give promise of continuing effectively into the future. We are attempting here only to analyze the strategy of the commission thus far, as the most important factor in the general movement of protest against the existing tax system. And in a nutshell, this strategy has consisted merely in getting the facts of the problem, getting these facts to the public, crystallizing the results in the form of definite, public opinion, and focusing this public opinion upon the governmental agencies concerned. After all, this is about the sum and substance of statesmanship in a democracy.

RECENT BOOKS REVIEWED

A HEALTH INVENTORY OF NEW YORK CITY. By Michael M. Davis and Mary C. Jarrett. Welfare Council of New York City, 1929. 367 pp.

No commercial venture is more worthy of evaluation and appraisal than is community health service, for the business of health is the business of everyone. Only by assembling the facts concerning municipal health administration can its effectiveness be measured, and plans formulated for the continued progress of necessary health protection and promotion. Public health surveys should, therefore, be made by experts at regular intervals in all communities.

This health inventory of our largest metropolis is a notable contribution to public health administration. Its scope is, as stated by C.-E. A. Winslow, Dr. P.H., in a cogent foreword, wisely limited to the organized efforts at rendering personal health service to individuals. Thus, the report covers the fields of out-patient clinic service, home nursing visitation, and health education. It does not attempt to go into the subjects of institutional care, nor of the administrative aspects of the activities of the local health department, especially since the latter had already been surveyed.

Although the care of the public health is primarily a governmental responsibility, a vast amount of health work is undertaken in New York City, as elsewhere, by extra-governmental health agencies. One half of the 1,200 nurses who make nearly two million home visits in this city are employed by voluntary associations, while 37 different agencies carry on health education programs.

This well-printed report covers such topics as child hygiene, maternity hygiene, tuberculosis control, venereal disease control, dental hygiene, health examinations, mental hygiene, heart disease, cancer control, the control of eye disorders, and health education. It should serve as a valuable text on public health for municipal officials and all others concerned with this important science.

JAMES A. TOBEY, DR. P.H.

CRIME PREVENTION AS A MUNICIPAL FUNCTION. By Hubert R. Gallagher, Syracuse University, N. Y., 1930, 66 pp.

In a time when organized gangsters and responsible citizens compete in the fascinating game of beating the law, this document suggests the need and method of establishing crime prevention bureaus where most crime is supposed to take its rise: in the cities. The editor completed last July an analysis of questionnaires sent to 299 American cities by the New York State Bureau of Municipal Information, with responses from 220 police departments showing that crime prevention work is only poorly understood.

Police authorities, till very recently, have given the bulk of their attention to crime repression and punishment. It has been assumed, as in Europe, that certainty of arrest and conviction, with presentation of adequate evidence, constitutes the greatest possible prevention of crime.

In meeting the question of organized crime prevention, this report gives major attention to analysis of case studies, indicating how various cities have been supervising dance halls, pool rooms, motion picture houses, parks, speakeasies, playgrounds and bowling alleys, as sources of crime. Specific suggestions and recommendations are offered to those who are seeking light on the problem of crime prevention. The School of Citizenship and Public Affairs at Syracuse University assisted in making the studies.

Broadly defined, crime prevention "is the elimination of the causes and conditions that are conducive to crime, whether in the case of potential or past offenders; and also the rehabilitation of the criminal, actual and potential." While disclosing that few cities have given serious attention to this problem, the report also indicates an encouraging measure of success in experimental methods thus far practiced. Apparently real achievements in crime prevention await performance in fulfillment of promises. Among general recommendations submitted is that every city have at least one police woman to one hundred police men. A bibliography covering 37 articles and reports is included. The conclusion is thus stated:

> Municipalities must approach the elimination of their crime problems in the same logical manner in which they attack the elimination of fire hazards and communicable diseases. Mounting crime rates are as important as mounting fire insurance and mortality rates. The basis of attack, whether the problem is fire, disease or crime, is *prevention*. Cities have Fire Prevention Bureaus, Health Departments with preventive programs, but the Crime Prevention Bureau has been neglected in municipal administration.
>
> It is recommended that *crime prevention* be recognized as a regular municipal function with the *Crime Prevention Bureau* as the organization unit in the municipal government responsible for performing this function.

William P. Lovett.

* * *

Public Power for Wisconsin (prepared under the direction of the Committee on Public Power of the League of Wisconsin Municipalities). Madison, Wisconsin, 1930. 104 pp.

In this 100-page pamphlet, the League of Wisconsin Municipalities presents a brief for the enactment of laws which will remove the present hampering restrictions upon the rights of communities to own and operate their own lighting plants. The major work of preparing it was performed by Carl D. Thompson, Public Ownership League of America.

In Wisconsin, as in many other states, the theoretical right of municipalities to own and operate their public utilities is largely nullified in practice, the report points out, by the prohibition of municipal competition with private plants, by the costly and long drawn-out litigation involved in condemnation proceedings to acquire the plants, by the inability to purchase plants at reasonable valuations, and by the constitutional limitation of 5 per cent which makes the acquisition and extension of municipal plants almost prohibitive.

A valuable section is devoted to the advantages of generation by Diesel engines, especially in smaller towns, as illustrated by the actual experience of a number of municipalities. The present prohibition upon competition, however, makes it impossible for Wisconsin municipalities to take advantage of the willingness of the manufacturers of Diesel engines to finance the installation of plants.

The results of municipal ownership, as they have appeared in Wisconsin and other states, are described in considerable detail in five chapters of the report. While some of this material must be placed in the class of enthusiastic generalization, it does present, in compact form, a surprisingly large range of data on the operations of the more important municipal establishments. The value of municipal competition in reducing rates is emphasized, and an incisive explanation is presented in support of the financial policies of public plants over those of privately-owned enterprises.

The report stresses the need for the right to create public power districts in order that public ownership may keep abreast of the current developments in large-scale production. It also advocates, as the most important phase of a constructive public program, an amendment to the state constitution that will permit the state itself to coöperate with the municipalities in the development of a state-wide public power system.

The legal phases of the question, especially those relating to the constitutionality of the measures proposed, are analyzed, and a series of tables presents illuminating financial statistics of public and private plants in Wisconsin, as well as elaborate comparisons of lighting rates.

The report is a useful addition to the all too inadequate body of literature on the controversial subject of public ownership of utilities which will be of special value to city organizations and legislative bodies interested in a constructive program of utility legislation.

F. L. Bird.

Municipal Administration Service.

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Markets: Public and Private. By Arthur E. Goodwin. Seattle, Washington: Montgomery Printing Company, 1929. xxiii, 315 pp.

In this book is presented the most complete description of modern retail produce markets available in this country. It is profusely illustrated with 102 cuts, most of which are photographic reproductions of markets or portions of markets, located from the Atlantic Seaboard to the Pacific Coast and a few in foreign countries.

The author describes the preliminary work which should precede the establishment of a market such as a survey of the need for a market, of availability of produce, of possible competition, determination of type of market and of location. Methods of financing are discussed for private as well as publicly-owned markets. The treatise is outstanding in details of architecture, construction and equipment as well as in the problems involved in the operation and administration of such markets. In these respects the author has drawn on his own wide experience in designing and operating markets and has ample illustrative material for a clear presentation. Problems of sanitation are discussed from a modern viewpoint and methods for this solution are presented with a view to their practicability in respect to efficiency and economy.

The book is designed for those who are interested in establishing produce markets and the author has included valuable aids, such as forms for leasing, and for keeping market accounts, as well as copies of by-laws for market associations or corporations and of suggested ordinances for locating, establishing, regulating and maintaining municipal markets.

While the book deals largely with enclosed retail markets, the last eight pages are devoted to wholesale terminal markets. The treatise of this phase of the subject is very inadequate and does not touch at all upon the many problems involved in the relationship of the farmer's produce markets to the wholesale terminal markets for shipped-in produce. The importance of this relationship is almost entirely disregarded and the author does not treat the problem of a food distribution center where retailers may obtain both homegrown and shipped-in produce at wholesale. The program for decentralization of the wholesale produce business in New York City is presented as likely solving the problem of the distribution of perishable food products in that city to excellent advantage without indicating the great difficulty which the city is experiencing in decentralizing the produce business after the facilities for decentralization have been provided.

The lack of adequate treatment of these important phases of produce marketing and the excellent treatment of the retail markets places this book in the category of the most outstanding handbook on enclosed produce markets available in this country rather than of a text covering the field of produce markets.

F. P. Weaver.

Pennsylvania State College.

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State Income Taxes. National Industrial Conference Board, New York, 1930. 2 volumes, 121 pp. and 214 pp.

These two volumes present an up-to-date summary and analysis of state income taxation in the United States. The first volume is essentially historical, reviewing by states the development of state income tax legislation. The purpose of the preliminary study is to explain "the motives which dictated the original laws, the nature and scope of the enactments, and the circumstances attending them." The persons and subjects taxable, the rate structure, the administrative machinery, and the financial results are also dealt with here in summary form. This information together with the statutory and legal history is presented for each one of the twenty states that now has some form of income tax legislation.

The second volume is more comprehensive than the first, is analytical rather than descriptive, and presents a penetrating study of all the more important phases of state income tax laws and their operation. Instead of organizing their study by states, the authors have arranged the material according to the significant features of income tax legislation, thus working out a comparative analysis of our state income tax systems. As a basis for evaluating the several features of the state systems, comparisons with the federal income tax law and the model income tax laws of the National Tax Association are employed extensively throughout the study. The particular phases treated in the analysis are the basis of the assessment and levy, the income exempted on constitutional and economic grounds, the exemption of capital transfers, personal exemptions or abatements, deductions from gross income under individual income tax laws, rate structure, legal considerations in collection and enforcement, conflicting jurisdictions in state income taxation and the economic effects, the allocation of net income, the administration of state income taxes, financial results, the burden of the state income tax and its economic effects.

These volumes merit praise from many standpoints. They furnish an authoritative source for up-to-date information on state income tax laws and their operation. They make readily accessible important rulings and court decisions. They reveal the strength and weaknesses of present systems. The tables and charts add considerably to the usefulness of the volumes. The clear style likewise enables one not a tax expert to grasp the significant phases of the present status of our state income tax systems.

Martin L. Faust.

MUNICIPAL REPORTS

Auburn, Maine. *Annual Report for the Fiscal Year Ending December 31, 1929.* F. W. Ford, Jr., City Manager. 51 pp.

This report is supplemented by two charts, one covering statistically and graphically the city debt and plan of redemption, and the other an organization chart containing also some general statistics, budget facts, and the number of employees assigned to the several departments, giving the annual payroll and the per cent it bears to the net budget. In fact, the data contained on these two unattached supplements are more interesting to the taxpayer than any data in the body of the report. The first half of the report is devoted to the general departmental reports and the remaining twenty-five pages are taken up by detailed financial tables which seem a bit involved for the ordinary reader of public reports. The chief criticism of the report is the almost total lack of illustrative material. The inclusion of a few well chosen charts and pictures would have lightened the appearance of the text and improved greatly the attractiveness of the report.

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Roanoke, Virginia. *Annual Report for Fiscal Year Ending December 31, 1929.* W. P. Hunter, City Manager. 96 pp.

The main criticism to be leveled at this report is that it is mainly statistical; thus it will please the so-called expert and the researcher who is trying to compile comparative data for different cities. But the reviewer fears that the Roanoke taxpayer may put it aside for a more convenient time which never comes. The report is attractive in many respects and, although it is deficient in illustrative material, that which is presented was well chosen. The list of major accomplishments for the year mentions the employment of a full-time recreation director and the preparation of an appraisal map. Among the "suggestions for consideration" is the creation of the office of purchasing agent and the erection of a building suitable for a storehouse and garage where all city-owned cars can be stored. The readers of the report would have been aided greatly by an organization chart of the city government, for, without such a guide confusion is bound to arise. In spite of these criticisms, however, the report shows a marked improvement over the previous issue.

East Cleveland, Ohio. *Municipal Report for 1929.* Charles A. Carran, City Manager. 40 pp.

The improvement of this report over the issue for the previous year is marked. To begin with, it is more attractive; the illustrative material is better, and the letter of transmittal with summary of outstanding accomplishments and suggestions for the future is very much improved. The report opens to a map of the city, followed in order by a contents page, picture of the city hall, roster of city officials, foreword and letter of transmittal, an organization chart, and a page of statistical data about the city. The reports of the administrative departments are then presented and the final six pages are devoted exclusively to financial tables. The arrangement would have been improved by moving the "Activities of the City Commission" from the bottom of page 13 to a more prominent position, preferably before the reports of the administrative departments. The "Plans for 1930" contains nine items. One of the outstanding accomplishments of the year was the operation of the water department for the seventh consecutive year with an increase in cash surplus.

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Two Rivers, Wisconsin. *The Fourth Annual Report for the Fiscal Year Ending December 31, 1929.* E. J. Donnelly, City Manager. 56 pp.

If completeness and minute detail were the sole criteria of public reporting this report would be rated 100 without further debate. It appears overloaded with minutiae, as, for example: "watered memorial trees along county road" is listed as one of the 52 "accomplishments in 1929." Many more illustrations might be drawn at random from other sections of the report. Doubtless there are purposes for such detail, but its place in a report is highly questionable. There are so many matters of greater importance that should command the attention of the reader that to lose him in the unessentials is to defeat the whole purpose of public reporting. In spite of this criticism this issue is a distinct improvement over that for the previous year, and in many respects it approaches a high standard of reporting.

Clarence E. Ridley.

REPORTS AND PAMPHLETS RECEIVED

EDITED BY E. K. OSTROW

Librarian, Municipal Administration Service

A Housing Code.—Recommended for use by municipalities of the state of New York, Albany, 1930. 93 pp. This report was prepared under the direction of a committee representing the New York State Conference of Mayors and Other City Officials, the New York State Department of Health and the State Board of Housing to meet the special requirements of smaller communities. The main purpose of the suggested code is the securement of healthful conditions of human life and activity, especially through the agency of adequate light and ventilation, adequate means of egress, adequate protection from fire, and proper sanitation. It is divided into six articles, each article comprising the provisions that naturally are grouped together, as follows: administration, definitions, light and ventilation, means of egress, fire protection, and sanitation and lighting. The suggested ordinance has been so prepared that it can, and should be used verbatim, except, possibly, for minor changes to adapt it to local conditions. There are three appendices: an application form, estimated building costs, and fire-resistive construction. (Apply to George Cove, Secretary, State Board of Housing, 949 Broadway, New York City.)

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Reduce Smoke and Save Fuel.—Smoke Abatement Commission, Akron, Ohio, Chamber of Commerce, 1930. The Chamber of Commerce has prepared a chart in which they offer suggestions from the American Society of Mechanical Engineers on smoke reduction by means of careful fueling. These cards are distributed to the school children in connection with talks on smoke elimination and air pollution. (Apply to R. C. Demary, Chief Inspector of Mechanical Equipment, 405 City Hall, Akron, Ohio.)

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Making One Government Grow Where Two, or a Dozen, Grew Before.—Mark Graves, reprinted from the June, 1930, number of *Community Service Magazines.* 3 pp. Mr. Graves sets forth a number of facts regarding overlapping units of local government and governmental over organization for purposes of taxation. He suggests certain benefits that might be derived from consolidation: centralization of authority and responsibility, elimination of delays, curtailment of unnecessary personnel, and the operation of a natural geographical unit as a political and financial unit. (Apply to the State Department of Taxation and Finance, Albany, New York.)

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Order and Beauty in State and City.—Address of John Nolen at the annual meeting, Vermont State Chamber of Commerce, Burlington, Vermont, June 5, 1930. Mr. Nolen makes a few suggestions in his address which would help to develop the state, for example: a state survey, preferably with the other New England states; a broad plan for Vermont planning; legislation for city planning and zoning, and related laws; a landscape architect in the state highway department and a sounder, more modern financial policy based upon a complete understanding of the finances of Vermont. (Apply to John Nolen, Harvard Square, Cambridge, Massachusetts.)

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Index for Social Science Abstracts.—Published under the auspices of the Social Science Research Council, New York, 1930. 150 pp. The Index for the first volume of Social Science Abstracts contains 10,000 entries under Authors' Index, and 25,000 under Subject Index. It covers about 3,000 journals in 25 languages; 11,093 abstracts were published in 1929. It presents a reference work to the social science periodical literature of the world for 1928–1929. (Apply to Social Science Abstracts, 611 Fayerweather Hall, Columbia University, New York City.)

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Procedure and Rulings Pertaining to Workmen's Compensation.—Commission of Labor and Industry, Topeka, Kansas, 1930. 39 pp. The commission thought it advisable to bring together in this report a complete explanation of what is expected from the time of the happening of a compensable accident until the last of the compensation is paid. The procedure has been simplified as much as possible. A few rules or interpretations are given, and these are based upon general inquiries that have been made.

(Apply to G. Clay Baker, Commissioner of Workmen's Compensation, Topeka, Kansas.)

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Current Research in Law for the Academic Year 1929–1930.—Johns Hopkins University, Baltimore, 1929. 298 pp. This volume, based on a survey conducted by the Institute of Law of Johns Hopkins University, contains all the research in progress in the United States which could be discovered at the time of printing. In general, those research projects which were reported as in preparation for law review publication have not been included if their publication was scheduled to take place before the present volume was to appear because they would presumably be listed at the same time in the *Index to Legal Periodicals.* (Apply to Johns Hopkins Press, Baltimore, Maryland.)

* * *

Can Blighted Urban Areas be Rehabilitated?—Harland Bartholomew, 1930. 20 pp. In this address made before the National Association of Real Estate Boards, Toronto, Canada, July, 1930, Mr. Bartholomew pointed out that blighted areas are a complex by-product of a complex organism, the city. The problem is not insuperable; it calls for neighborhood organization and municipal coöperation, chiefly through city planning action. One of the most necessary instruments in dealing with these areas is condemnation. The processes of condemnation are as yet crude and often involved in city politics. City planning and the formation of property owners' associations are both needed to help solve the problem. The blighted area is the result of uncontrolled municipal expansion. It can be corrected and prevented only by control of unsound speculation and the promotion of those forces which create permanent values. (Apply to Harland Bartholomew, City Plan Engineer, St. Louis, Missouri.)

* * *

Problems of Zoning.—Addresses delivered at the Zoning Session of the Seventh Annual Meeting of the Chicago Regional Planning Association, Chicago, Illinois, 1930. 12 pp. This pamphlet contains three papers: (1) How Much Property Should be Zoned for Business? (2) To What Extent are Apartments Justified in Suburban Villages? and (3) What Power Has the Zoning Board of Appeals? by Lawrence V. Sheridan, Coleman Woodbury, and Jacob L. Crane, Jr., respectively. (Apply to the Chicago Regional Planning Association, Chicago, Illinois.)

1929 Street Lighting Costs in 218 Cities.—Compiled by O. P. Ortlieb, Engineer of Street Lighting, Trenton, New Jersey, August, 1930. 8 pp. (Mimeographed.) The information in this report was obtained by means of a questionnaire sent to officials in cities of over 30,000 population. It was requested that the costs reported include the charges of administrative costs, such as salaries, and also the interest and sinking fund requirements on any outstanding city bonds issued for street lighting purposes. Results are tabulated as follows: population of the city, the total expenditures of each city for street lighting during 1929, 1929 expenditures reduced to a per capita basis, percentage increase or decrease in the per capita cost from 1924–1929, future increase planned, and street mileage reported for the various cities. This report is not uniform, inasmuch as the questionnaire was brief and there are many different systems in use. No attempt was made to compare street lighting systems for it is understood that the per capita cost is not a fair basis for comparison. (Apply to O. P. Ortlieb, Trenton, New Jersey.)

* * *

Report on the Statistics of County Finances.—Division of Accounts, Department of Corporations and Taxation, Boston, Massachusetts, 1930. 32 pp. The report on county finances consists of twelve tables: returns of county treasurers, clerks of supreme and superior courts, clerks of district and municipal courts, trial justices, registers of probate, registers of deeds, recorder and assistant recorders of the land court, sheriffs, keepers of jails and masters of houses of correction, probation officers in superior, district and municipal courts, treasurers of tuberculosis hospitals, and returns of county aid to agriculture. (Apply to T. N. Waddell, Director of Accounts, State House, Boston, Massachusetts.)

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The Court and Correctional System of the State of Pennsylvania.—Pennsylvania Committee on Penal Affairs of the Public Charities' Association, Philadelphia, Pennsylvania, September, 1930. 32 pp. This pamphlet presents a description of the organization and functions of the courts and of the penal and correctional system of Pennsylvania. (Part I.) It also contains a directory or guide to the resources, state and county, for the correction and treatment of offenders, both adults and children. (Part II.)

This is a revised edition of a study made in 1927, based on a state-wide study of court and penal procedure made by the Pennsylvania Committee on Penal Affairs. (Apply to the Committee on Penal Affairs, 311 South Juniper Street, Philadelphia, Pennnsylvania.)

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Highway Sidewalks.—American Society for Municipal Improvements. St. Louis, Missouri. 8 pp. This pamphlet is an extract from the report of the committee on street paving, design, construction and maintenance made at the 1929 convention of the American Society for Municipal Improvements. It embodies a resolution favoring the construction of sidewalks in connection with public highways subjected to considerable automobile traffic. (Apply to C. W. S. Sammelman, Secretary, 4359 Lindell Boulevard, St. Louis, Missouri.)

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Progress Report on Suburban Transit for the Metropolitan District of New York 1929–1930.—Prepared by the Suburban Transit Engineering Board. 80 pp. The purpose of this report is to set forth the facts relating to the movement of suburban passengers, the engineering obstacles to be overcome, including those relating to the different sizes and types of equipment and motive power, and to present some idea of what the various planning committees on the Board have been able to accomplish toward the development of a comprehensive, coördinated suburban transit plan for the metropolitan area. There has been no consideration given to the legal, financial or operating problems, nor as to how or by what agency any of the facilities would be provided, financed or operated. (Apply to Glenn S. Reeves, Secretary, 75 West Street, New York City.)

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Report on Zoning with Special Reference to Use of Buildings.—Philadelphia Chamber of Commerce, Philadelphia, Pennsylvania. December 1, 1929. 42 pp. (Mimeographed.) "The first section of the report deals with general and fundamental phases of zoning as a whole; the data collected from published reports of outstanding authorities in the field of zoning. This has been done for the purpose of affording a background for this study, as well as for the purpose of approaching intelligently the specific subject of use of buildings. The second part, which treats specifically of Philadelphia and the use of buildings, is set up in chart and tabular form for the purpose of clearer understanding and convenient reference. The data for this section is the result of a most careful search of all zoning ordinances of cities considered in this report and the proposed zoning ordinance for Philadelphia." (Apply to E. E. Bach, Director, Research and Statistical Bureau, Chamber of Commerce, Philadelphia, Pennsylvania.)

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The Geographical Problem in Wisconsin Taxation.—J. Roy Blough, Wisconsin Tax Commission, Madison, Wisconsin. June, 1930. 99 pp. "The purpose of this study is to show the location in rural and urban districts and in different counties of certain important types of tax bases used in Wisconsin in order to indicate the extent of the uneven distribution of different tax bases and the extent of differences in ability to support government." (Apply to E. L. Kelley, Chairman, Wisconsin Tax Commission, Madison, Wisconsin.)

JUDICIAL DECISIONS

EDITED BY C. W. TOOKE

Professor of Law, New York University

Contractor's Bonds—Right of Materialman to Recover against Surety.—The Court of Appeals of the State of New York in *Johnson Service Co.* v. *Morim*, 171 N. E. 692, holds that a sub-contractor by an equitable action to which the contractor and the city are made parties may recover against the surety for default on the part of the contractor in paying for materials furnished upon a public work. In contrast with the decisions in several other states, the New York courts have consistently held that under a bond given by a contractor on public works conditioned upon payment of the claims of materialmen and laborers, the latter were not entitled, suing in their own names in an action at law, to recover against the surety, upon the ground that the primary purpose of the bond is the protection of the municipality and the protection of others is incidental or subordinate (*Fosmire* v. *National Surety Co.*, 229 N. Y. 44). The contrary decisions in other states are based upon the principal that as public works are not subject to mechanics liens, the primary purpose of the provision to pay materialmen and laborers is for their benefit, and, therefore, although not parties to the contract they may recover directly in an action at law against the surety.

The court holds that its decision in the Fosmire case was not conclusive as it there stated that the result might be different where the municipality is before the court as a plaintiff asserting a cause of action as the trustee of an express trust for the benefit of sub-contractors, in which event the surplus of the recovery, after payment of its own charges and expenses, will be held for their use. In such a case, the money paid to the city, will be held as a trust to pay the sub-contractor and in turn the surety will be subrogated in an equivalent amount to the right of its principal, the general contractor, to collect from the municipality the amount due under the contract. In the instant case, the city was made a party defendant, but joined in the prayer for affirmative relief. The result reached by the court is practically the same as that attained more directly in other states by the application of the third party beneficiary rule but has the virtue of protecting the rights of the city under the bond.

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***De Facto* Municipal Corporations—Discretion of Courts to Test by *Quo Warranto*.**—The Supreme Court of Mississippi in *State* v. *Commissioners of Greenwood*, 127 So. 704, by a divided court applied for the first time the now well-recognized principle that the courts may refuse to grant a writ of *quo warranto* to test the status of a *de facto* municipal corporation after a lapse of time so long that it would be against public policy to oust it, because of the public and private rights that would be seriously affected thereby. The instant case involved the jurisdiction of the city over territory annexed *de facto* some seven years previously.

In holding that the state itself might not at so late a date test the legality of the incorporation, the court adopts the principle laid down by the Supreme Court of Arkansas in *State* v. *Leatherman*, 38 Ark. 81, and by the Supreme Court of Iowa in *State* v. *Des Moines*, 96 Ia. 521, that the granting of the writ even at the instance of the state is subject to judicial discretion. This principle, which is now recognized in many of our states is one of the most salutary in our American public law which, because of the peculiar situations raised by state constitutional limitations, has had to solve problems of *de facto* status unknown to the jurisprudence of England. The decision of the court in the instant case is not only based upon sound public policy, but is supported by the early English decisions bearing upon the *de facto* status and the nature of the writ of *quo warranto*.[1]

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Traveling Expense of Committees—Extension of Doctrine of Implied Powers.—In *Tousley* v. *Leach*, 230 N. W. 788, the Supreme Court of Minnesota affirmed an order of the lower court, which denied a temporary injunction in a taxpayer's action to restrain the city of Minneapolis and its officers from paying the expenses of a committee of its officials in attendance upon a meeting of the Mississippi Valley Association at St. Louis and of the River and Harbors Congress at Washington, both held in 1928. In thus holding that the city has the implied power to pay such expenses, the decision marks a radical departure from the generally established rule that only those powers are to be implied that are necessary, and not merely convenient, to carry out the express powers of the city charter. The implied power in this case is predicated upon the express power to control and regulate the construction of piers and wharves, etc., within the limits of the city and to lay out, improve and control the streets. The defendant claimed that the development of facilities for deep waterway commerce, and the incidental construction of piers, terminals and the approaches thereto made necessary the expenses incurred by the city officials in attending the aforesaid conferences.

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[1] See articles on *De Facto Municipal Corporations under Unconstitutional Statutes*, 37 Yale L. J. 935 (1928) and *Discretion of Courts in Actions to Dissolve Municipal Corporations*, 6 N.Y. University Law Review 112 (1929).

Although there is no question that the expenditure of public money is often justified by the advantages resulting from inter-city conferences called for the discussion of questions of mutual interest, the courts have uniformly denied that the power was one to be implied. In many instances, such expenditures are expressly authorized by the city charter or by general law. In Minnesota, for example, express power is given the cities to join the league of municipalities and to pay their dues and the expenses of their delegates from the public funds. Minneapolis, as a home rule city, conceivably might confer upon itself by charter amendment the power to pay the traveling expenses of officials sent upon tours of investigation. But such a power is so liable to abuse that in the absence of legislative sanction, the wise decision of the courts has been to deny its grant by implication. The grounds stated for the decision are not impressive and seem to do violence to well-established principles of local government.

✣

Indebtedness—Contract to Pay for Services in Annual Installments.—In *Friese* v. *Edmonds*, 290 Pac. 856, decided August 30, 1930, the Supreme Court of Washington holds that under a five-year contract to purchase water to be furnished the city of Edmonds at a monthly fixed charge, not shown to be in excess of its actual value, with an option to purchase the plant at the end of the term, no indebtedness was presently created necessitating competitive bidding. The decision follows the rule laid down in *Walla Walla* v. *Walla Walla Water Co.*, 172 U. S. 1, that under such a contract no indebtedness within the meaning of the constitutional or statutory limitations is created until the consideration is furnished. It is to be noted that there were no allegations or evidence in this case to show that the monthly rental was not a reasonable charge for the service actually given. If it had been shown that it was excessive and that the purpose of the contract was to purchase the plant by means of monthly payments disguised as rental, the decision would have declared the contract invalid.

A similar decision was recently rendered by the Supreme Court of California in the case of *California Pacific Title & Trust Co.* v. *Boyle*, 287 Pac. 968, in which it was sought to compel the auditor to pay for certain lands known as McLaren Park purchased by the city and county of San Francisco. The proposition to bond the municipality to purchase the entire tract of 550 acres for park purposes was defeated by the voters in 1928, but the board of supervisors proceeded to make an appropriation for acquiring a parcel of such lands from the current revenues. The court held that such an appropriation did not come within the provisions of the state constitution or of the charter requiring approval by popular vote, as no doubt was created nor any obligation that could not be paid out of current revenues.

This latter decision gives the city authorities some relief from the legal restrictions they have been laboring under in trying to carry out their program for the extension of the municipal park system. Their efforts to circumvent these restrictions by the subterfuge of a lease with the obligation of heavy annual payments was defeated by the courts in *San Francisco* v. *Boyle*, 195 Cal. 426, known as the Marina case, and in *Mahoney* v. *San Francisco*, 201 Cal. 248, the so-called Spring Valley case. (See note in October 1927 issue, vol. xvi, p. 668.)

✣

Streets and Highways—Liability in Tort of Independent Contractor Who Has Agreed to Maintain a Portion of the Highway.—In *Taylor* v. *Westerfield*, 26 S. W. (2d) 557, the Court of Appeals of Kentucky overruled a long line of decisions, which held that the immunity of the state from actions in tort for defects in highways extended not only to municipal and quasi-municipal corporations exercising governmental functions, but also to independent contractors who had undertaken to perform the duties imposed upon the local subdivisions. The theory upon which the earlier Kentucky decisions rested was that the state or the local subdivision would have an increased burden cast upon it if the contract prices for public work were to include as a matter of law a liability for damages to third persons (*Blue Grass Traction Co.* v. *Grover*, 135 Ky. 685, *Ockerman* v. *Woodward*, 165 Ky. 752).

In its opinion, the court gives the following reason for changing the exceptional rule of law that it had previously followed (pp. 558–559):

> It is now accepted that the industry, and not the individual, should bear the burden of industrial accidents, and, with like reasoning, the individual should not be compelled to bear the burden of negligent prosecution of public work, at least where carried on by an independent contractor. No doubt the state and its subordinate arms of government, its servants and officials, will and perhaps should, like Richelieu, draw around it the magic circle of "sovereignty" to protect itself against suits by individuals. The independent contractor, however, is no sovereign, and the protection of sovereignty should no longer be extended to him, since, in the light of our changed views as to public policy, the public should not take the advantage of getting its work done cheaply by shifting the burden of sustaining the damage caused by the negligent prosecution of that work by an independent contractor upon the injured individual.

It may be noted that Kentucky still stands with the small minority of states which have failed to impose liability for neglect in the care of public highways upon the subordinate public agencies, such as counties and towns, to which the duty of performing this state function has been committed. In the instant case, the court of appeals approves of the continuance of such a public policy upon the ground that otherwise "the more important work of government, which every municipality or sovereign must perform, regardless of its other relations, would be seriously impaired, if not totally destroyed." In view of the fact that no such result has followed the action of the forty states whose statutes impose such liability and of the pronounced trend toward a further extension of tort liability to public agencies, it is to be hoped that the legislature of Kentucky will move to bring this branch of its public law into closer harmony with the public policy of her sister states.

Municipal Bonds—Constitutional Provisions Limiting Attack upon Their Invalidity.—The Constitution of Louisiana (Sec. 14, Art. 14, Constitution of 1921) provides that when submission of the question of the issuance of refunding bonds is to be made to the electors of any municipality of the state except the city of New Orleans, the regularity of the election may be contested in the courts within the following sixty days and that, upon failure to bring an action within that period, the authority to issue the bonds, the legality thereof and of the taxes necessary to pay the same shall be conclusively presumed, and no court shall have authority to inquire into such matters.

In *Charles Webster Realty Co.* v. *Police Jury of Parish of Washington*, 128 So. 416, a property owner brought a suit to have declared null and void certain bonds issued by the police jury to refund certain unbonded debts of the parish, upon the ground that the statutes give authority to refund only existing bonded indebtedness. This action was brought more than sixty days after the publication of the result of the local election approving the issue and more than thirty days after the bonds had been sold to a local trust company.

While the question of authority to issue such refunding bonds and of the regularity of the proceedings were put in issue, the Supreme Court of Louisiana in affirming a judgment dismissing the action based its decision solely upon the constitutional provision above noted. The court refers to several other of its decisions to the same point and shows that its ruling in the instant case may now be considered well settled. The purchasers of municipal bonds of Louisiana municipalities are thus assured not only of their validity sixty days after the publication of the result of the local referendum, but also of freedom from any vexatious action to test the regularity of their issue.

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Streets and Highways—Injunction against Encroachments by City.—In *George W. Armbruster, Inc.* v. *City of Wildwood*, 41 Fed. (2d) 823, the United States District Court held that the plaintiff, as an abutting owner on a public highway, whose access was obstructed by an elevated boardwalk in the street along the seashore, was entitled to enjoin its maintenance unless provision be made for access by vehicles to the adjoining property. The petitioner alleged special damages and the right to have the public highway kept open as appurtenant to its property rights. The city defended mainly on the ground that the petitioner's predecessors in title had consented to the obstruction by a contract, which gave them a right to extend their buildings over part of the highway to connect with the boardwalk. The court held, however, that the city could not contract to give an adjoining property owner the right to occupy the street and therefore the contract was void. Not only was the contract *ultra vires,* but the city had refused to grant the petitioner a permit to make such connections.

It is to be noted that the decree of the court goes no further than to protect the rights of the abutting land owner by requiring the city to provide means of ingress and egress from his property. The remedy to protect the rights of the public to the unobstructed use of the highway is by indictment or information. The equitable remedy available to a private person to protect his property rights which are damaged by a nuisance in the city streets erected by the public authorities can go no further than to secure to him those rights, leaving to the public authorities the protection of the public interests.

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Municipal Airports—Power to Acquire Extra-Mural Territory.—The Washington cities of Walla Walla and Spokane attempted to go beyond their respective territorial limits to condemn property for municipal airport purposes. This action was opposed in both instances upon the ground that the cities had no power either to maintain an extra-mural airport or to acquire land for such purpose, the airport enabling acts being silent on these points. *Held,* such power existed by virtue of the general condemnation statutes when construed in connection with the airport authorization acts. *State, ex. rel. City of Walla Walla* v. *Clausen* (Wash.), 289 Pac. 61, as to cities of the second class. *City of Spokane* v. *Williams* (Wash.), 288 Pac. 258, as to cities of the first class. The general condemnation statutes of Washington authorize political subdivisions of the state to appropriate private property outside the corporate limits for corporate uses. The airport enabling act, a subsequent statute, expressly declares an airport to be a city and county purpose and a public use and authorizes municipal corporations to establish and operate such airports. These statutes being complementary to each other confer upon municipalities the power to acquire land for, and establish, extra-mural airports, even though the airport enabling acts did not expressly confer power to condemn or operate extramurally.

PUBLIC UTILITIES

EDITED BY JOHN BAUER

Director, American Public Utilities Bureau

Dr. Edward W. Bemis.—In September, death removed one of the few outstanding persons who had stood consistently on the public side in public utility controversies in this country. Dr. Edward W. Bemis has been a prominent and influential figure for nearly fifty years. Long before the recently exposed influences had sought to control the teaching in our colleges and universities with respect to utilities, Dr. Bemis came in conflict with corporate interests, and was removed from one of the leading universities because of his outspoken and fearless position on public questions.

Dr. Bemis has represented municipalities and consumers in a great many rate cases, extending back about thirty-five years. During the past twenty years, he has participated actively in public discussion of the bases and policies of rate-making. He has been a strong supporter of "prudent investment" as against reproduction cost—not just as a matter of advantage to consumers, but on grounds of sound economic policy and as the only basis which can be systematically administered by the commissions. His chief recent contribution was his analysis of "going value" and his reasoned conclusion that no separate allowance is necessary under the Supreme Court decisions, when the engineering and financial overheads have been properly added to the physical valuations of a property.

Dr. Bemis has had a long life of almost constant battle, and he was always on the side of the public as against special interests. He was an intelligent fighter, pursuing broad lines of public policy. Notwithstanding the almost incessant conflict in which he was involved, he remained cheerful, and retained an optimistic and buoyant outlook on public affairs. He had faith that his successors would carry on.

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The Service Charge Hearings in New York.—The New York Edison rate case has been before the public service commission since 1925. The company has spent over five million dollars in the preparation of the case, and, in addition, probably at least a hundred thousand dollars of public moneys have been expended. It involves the general electric rates in Manhattan, which have continued for many years at 7 cents per kw.h., while the proponents of lower rates have sought a maximum of 5 cents.

While this matter was still before the commission, the associated Edison companies during the past summer proposed to the public service commission the establishment of a 5-cent rate, coupled with a 60-cent *service charge* for the residential users, and an additional *demand charge* of $1.00 a month per kw. of maximum demand for commercial users. This schedule has been proposed as a settlement of the litigation that has continued for five years. It involves, however, not only the New York Edison Company itself, but also the Brooklyn Edison Company, the United Electric Light & Power Company, and the New York & Queens Electric Light and Power Company—all under the same control and supplying electricity to practically the entire city, except the Borough of Richmond.

The schedule was presented as if it established a general 5-cent rate. The City of New York, and the Utility Consumers' League, which is primarily an organization of small users, have contended for a flat 5-cent rate, and have come out in vigorous opposition to the new schedule. They base their opposition on the fact that the 60-cent service charge would result in an increase in rates to all residential users who take less than 30 kw.h. per month, or nearly 70 per cent of the residential users. They desire a maximum 5-cent rate, without any service charge.

The argument against the service charge in the proposed electric schedule is the same as has been elaborated before the public service commission in the Brooklyn Union and Brooklyn Borough gas cases, which were heard by the commission over two years ago, and which are now up for rehearing and will probably be decided with the electric case. The commission is thus confronted with the general question as to the desirability or validity of the service charge included as a part of a domestic rate schedule. This applies equally to gas and electric rates. The issue, moreover, has country-wide significance. While the service charge has been approved in various instances, it has been generally objectionable to the smaller consumers; has been opposed by municipalities and consumers in a number of instances; and will doubtless be subjected to more vigorous inquiry even where it has already been accepted in principle. The New York cases, therefore, will have much more than local and state importance.

The chairman of the New York commission, Milo R. Maltbie, has announced that the commission will decide all three cases on the same general basis—deciding definitely whether or not a service charge is justified as part of a rate structure. The gas cases, however, involve not only the matter of principle, but also a legal question. A service charge is prohibited under the New York statute, so far as gas rates are concerned; but this prohibition does not apply to electric rates.

The opposition to the service charge in all three cases centers on the difference in cost in serving apartment house and multiple-family house customers, as against single-family house customers, especially those in the more elaborate establishments. In each case the company sets up large costs which are regarded as due to customers as distinguished from the cost of gas or electricity, or other causes of cost. These so-called "customer" costs are then divided equally per customer throughout for the company, and the result is taken as the basis of a properly determined service charge.

The companies contend that these customer costs should be provided for separately in the rate schedule as a fixed charge per month per customer. The costs have been presented as amounting variously to about $1.00 to $1.50 a month per customer. For the electric companies, the proposed service charge, as already stated, is 60 cents per month; for the Brooklyn Union Gas Company 95 cents, and for the Brooklyn Borough Gas Company $1.00. For the two gas companies, however, the charge allows the inclusion of 200 cubic feet of gas, while for the electric companies there is no allowance of electricity.

The effect of the service charge would be to increase the effective rate for gas or electricity to the small users, and approximately two-thirds of the customers would be adversely affected. To a large extent, small users are found in apartment houses, tenements, or multiple-family houses, while the large consumers live mostly in single-family houses. The economic validity of the service charge, therefore, involves consideration of the relative cost of furnishing service under the different conditions of housing.

The opponents of the service charge hold that in large part the costs presented by the companies as customer costs, in reality constitute fixed charges, general expenses and business overheads which have no direct or immediate dependence upon the number of customers. They claim also that the bulk of the costs which may be properly regarded as customer costs, vary greatly per customer according to difference in service conditions. Among the simplest of customer costs, for example, there is meter reading. This is undoubtedly due to customers, as distinguished from other causes of cost in furnishing gas or electricity. But the cost of meter reading varies greatly per customer according to conditions of service, and the total cost incurred cannot be justly divided equally between all the customers without creating discrimination. The cost of meter reading per customer in a large apartment house—less than ½ cent per customer per month—is almost negligible, while for an elaborate, single-family house the cost ranges from 10 cents to 15 cents. Similar differences occur with regard to most costs which may be regarded as due to customers. Outside of customers' bookkeeping and closely related processes, practically all costs that may be regarded as customer costs are less per customer in apartment houses than in single-family houses.

The fact is clear that there are wide variations in costs with varying conditions under which customers are served. In general, the costs per customer are less in apartment houses than in single-family houses, with wide variations in-between. The further fact appears that to a large extent all costs are incurred jointly in behalf of all consumers. The basic question, therefore, before the commission is whether under such conditions of joint cost and wide variations in conditions of service, a service charge or any system of two-part rate can be established without creating discrimination against the small users served under large apartment house and tenement house conditions. Under such circumstances, is not the best, the most practical, and the most just rate found in the so-called "flat" rate, with possible blocks or successive step reductions, predicated upon considerations of promoting greater use of service?

The service charge has been offered as a means to establish more equitable rates as between classes of consumers, especially small and large users. The question before the New York commission is whether the proposal would not in fact create discrimination against small users, instead of placing just burdens upon them.

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St. Lawrence Power Development Commission.—The New York legislature last year provided for a special commission charged with the duty to investigate and report on the feasibility of the St. Lawrence water power development, including the desirability of public development and plans of distribution so as to make the advantages of low production costs available to the state at large.

The commission was appointed by Governor Franklin D. Roosevelt, and consists of Robert M. Haig, chairman; Julius Henry Cohen, Thomas F. Conway, Frederick M. Davenport, and Samuel L. Fuller. The commission has provided for two distinct investigations and reports by experts. The first will be a report upon the engineering feasibility of constructing a plant on the St. Lawrence, together with estimates of cost. The second covers the marketing problem to determine what demands there would be for the St. Lawrence generated power.

The first inquiry was placed in the hands of the so-called Engineering Board. This consists of Lieut.-Gen. Edgar Jadwin, chairman, formerly chief of engineers, U. S. Government, in charge of river and harbor work; William H. Woodward, consulting engineer, with extensive experience in waterways and canal projects; O. G. Thurlow, Birmingham, Ala., vice-president in charge of Southern division, Allied Engineers, with extensive construction experience in hydro-electric projects in the South; and Col. Frederick Stuart Greene, Albany, N. Y., Superintendent of the Department of Public Works, State of New York.

The marketing study was turned over to the editor of this department and Col. John P. Hogan, of the engineering firm of Parsons, Klapp, Brinckerhoff and Douglas. This will include a special study of whether St. Lawrence power can be economically transmitted to the city of New York, and will present an estimate of potential demand for St. Lawrence power. As a special feature, it will consider the possibilities of rural electrification, to determine what rural load may be developed, and what means can be adopted to keep costs and rates to a minimum for effective extension of rural electrification.

The report by the commission must be made to the legislature by January 15, 1931. It will be important not only to New York, but to other parts of the country which are concerned with the problem of making electricity more generally available to industrial and domestic users, and which are struggling particularly with rural electrification in relation to the establishment of an agricultural program.

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Can't They Stop It?—After the somewhat recent exposé of public utility propaganda, one would suppose that the "clever boys" of the companies would subside and let the operating groups have a chance to gain back public confidence—through the introduction of economies and reduction in rates. But that, manifestly, was too much to expect. Abdication always comes hard, and undoubtedly, the industry will be burdened with the "smart" fellows for many years to come! And, in our opinion, it is this influence, more than any other factor, that will push along the public ownership movement.

During the past year, rumors have pointed to the continuance of propaganda, including efforts to control the election and appointment of public officials, and to determine the character of public utility instruction in colleges and universities. The most glaring case has come to light in Nebraska, where the venerable Senator George W. Norris is seeking reëlection, reluctantly after long urging by his friends who are interested in good government, not only in Nebraska, but all over the country. A particularly smelly dish was cooked up, but it was finally fed to the cooks themselves! Back of the mess was the public utility influence, which was not limited to Nebraska, but reached to Chicago and New York headquarters of huge interests.

The scheme was developed and apparently financed by public utility interests, and was taken over by a stupid representative of the "hard-boiled" group that controls the eastern division of the Republican party. It involved a hesitant local attorney, and an inexperienced young grocer. It collapsed ludicrously, and has involved the direct participants in perjury.

It was a lovely idea! If it had worked, it would have brought tangible rewards and approval from the high-ups. The suggestive name of a young grocer in Broken Bow, Nebraska, came to the attention of someone with imagination. The grocer's name happened to be George W. Norris—the same as that of the Senator. If the young grocer could be induced to file a petition to run in the Republican primaries, his name would appear indistinguishably with that of Senator Norris! Then the voters would not know for whom they were voting, and so a *regular* Republican might receive the official Republican nomination, especially if Senator Norris should withdraw from the Republican primaries and run as an independent candidate. All this would lead to the election of a "real" Republican senator, and the retirement of the great Nebraskan who has stood unflinchingly for the public interest, without regard to party affiliation.

The scheme failed, and, we assume, by the time these comments are read, Senator Norris will have been elected once more to represent not only Nebraska but all progressive and public-minded people of the country. Grocer Norris was slow to file his petition, which reached the office of the secretary of state too late under the law as it was specifically construed in this case. Later, the grocer, his attorney, and the steerer for the Republican organization, were summoned before the Nye Investigating Committee, and testified blandly that there had been no scheme; that the young grocer had merely aspired to go to the United States Senate, and had acted without the suggestion or support of anybody. Later, however, the conscience of a blonde young lady was working, and it is a matter of public gratification that conscience remains at least with blondes. The attractive secretary of the Republican steerer laid the facts before the Nye committee; then both the local lawyer and the grocer admitted the conspiracy.

None of this would have any interest to us except for the ultimate influences of the utility interests which desired the retirement of Senator Norris. The same interests have joined against the reëlection of Governor Roosevelt in New York, who has taken an advanced position in the establishment of effective regulation of utilities, who is seeking the St. Lawrence power development in the interest of the state as a public matter, and who is endeavoring to make public ownership of utilities attainable to any municipality which desires to establish a municipal system. In New York, the opposition to Governor Roosevelt is crusading against Tammany corruption, and it contains groups which remained painfully silent when the federal oil scandals were uncovered, and which are deaf when up-state corruption is mentioned in New York. The rather obvious fact is that they do not care a hoot about corruption; but they do not want Roosevelt in Albany any more than Pinchot in Harrisburg, or Norris in Washington, or the La Follettes in Madison and Washington.

MUNICIPAL ACTIVITIES ABROAD

EDITED BY ROWLAND A. EGGER

Princeton University

Housing in the Irish Free State.—In the United States the residence of more than two persons in a single room is regarded as unhealthy. This is true of almost every other country which has developed any degree of "housing-mindedness." From this point of view, residential conditions in the Irish Free State are indeed unsatisfactory. There are 781,000 persons within the geographical jurisdiction of the Free State living more than two in a room.

This total of 781,000 persons includes 75.2 per cent of the 140,000 people in one-room dwellings; 59.3 per cent of the 440,000 in two-room dwellings, 36.9 per cent of those, numbering 793,000, in three-room habitations, and 17.2 per cent of the 623,000 living in four-room dwellings; 2,761 families, numbering nine persons to each family reside in two-room dwellings.

Taken by specific cities, the situation is seen to be even more aggravated than norms and averages would indicate. Twenty-seven and two-tenths per cent of the entire population of the Free State are living in overcrowded conditions as defined above. The percentage of the most overcrowded towns is as follows: Dublin City, 45; Edenderry, 38; Limerick City, 37; Kildare, 36; Newbridge and Newcastle West, 34 . . . and so the list continues.

Little comfort for advocates of "back to the soil" movements is to be drawn from these percentages, however. Rural housing conditions are almost uniformly more congested than those of all save the largest urban areas. Along the western seaboard and in the counties of Dublin and Kildare the rural populations are extremely overcrowded. At the same time, the rural death rate, for causes not connected with housing conditions, is uniformly lower than even the best housed urban areas. Thus, in Mayo, with 41.7 per cent of the population in overcrowded conditions, the death rate is only 11.8 per 1,000 population, while in the best housed urban areas, with a congestion ratio of 15.2 per cent, the mortality index is also 15.2 per 1,000.

The development of the Ford Tractor Factory in Cork and the hydro-electric works on the River Shannon near Limerick have served further to congest and complicate an already impossible situation.

The housing statistics issued by the Dublin ministry of industry and commerce contain much material of interest and edification to social workers, sociologists, and even serious-minded people. The curves with reference to housing of the different trades are particularly illuminating, as are also those showing the relation between housing conditions, marriage, birth, and mortality figures. The work contains also a series of interesting diagrams showing the relation between age and housing conditions. It appears that in rural areas, for example, housing conditions grow rapidly worse from birth until the age of 7 years, and then improve until the age of 13. From 12 to 17 housing conditions improve rapidly, and then more rapidly until 22, improving at a more accelerated rate for females than for males. Housing conditions of females tend to remain constant from about 22 to 45 or 50, or the end of the child-bearing period. For males, conditions improve from about 22 to 40, and then tend to remain constant.

The explanation for the increase in facilities from the age of 12 or 13 and upwards is accounted for by the early age at which the worst-housed portions of the population leave their habitations for domestic service, emigrate, or die. Indeed, the death rate in all age brackets for this group is correspondingly higher than any of the less crowded portions of the populace.

These statistics are interesting from a number of points of view. In the first place, they reveal the true picture of housing conditions in the Free State—and Liam O'Flaherty in his most morbid moods never overstated the case. Secondly, they show conclusively that the efforts which have been made to meet the problem in recent years by subsidies and rate remissions are utterly futile. Finally, they are fairly exemplary of one of the most profitable fields for the application of the "quantitative method" in politics and administration.—*The Municipal Journal,* August 29, 1930.

Communal Electricity Supply in Belgium.—The attitude of the central government in Belgium, relative to the general dissemination of the habit of using electricity, has been distinguished chiefly by its total indifference toward the interests of all save large consumers. In consequence, the only efforts which have been made in behalf of small and moderate consumers, comprising the major portion of those utilizing electricity for domestic purposes, have been those of the communes. A single project for the formation of a national society for domestic electricity consumption has been proposed, but it "*resta sans écho.*"

The law of March 1, 1922, permits intercommunal coöperation for electricity production. Inasmuch as Belgium communes, like their French prototype, are not appropriate areas of administration for such projects, this possibility of combination for certain public utilities has been the only saving grace of a vexing situation.

One sort of these intercommunal associations is *L'Association Liégeoise d'Electricité.* While the internal organization of these associations is not uniform, they are all juristic persons, and have the same degree of financial and administrative freedom as any industrial enterprise. As a commentator has remarked, however, the organization in general accords with the extensive rationalization program which is an integral factor in the platforms of municipalization factions. This form, it should be noted, is that of direct and complete municipalization-communal trading.

Of another type is *L'Intercommunale Bruxelloise d'Electricité.* This corresponds probably more closely to the French communal *syndicat,* or the American joint-contract plan. The commune, under this plan, agrees with a neighboring commune to contract jointly with one or more companies for the supply of electricity to their inhabitants. Frequently they take the entire electrical output of particular companies. The rate-making authority in cases of this sort is a mixed commission, composed of representatives of the consuming communes and the exploiting companies.

There are a number of serious objections to the joint contract system. Probably the chief of these is the insusceptibility of the companies under the plan to rationalization and more economical production. And in a country operating on a almost infinitesimal marginal balance, as is the case in Belgium, such rationalization is of the utmost importance. The Belgian communes are literally between two fires. The financial condition of the country at large will not permit actual construction of plants, or the purchase of the plants now in operation. On the other hand it is generally realized that permanent industrial prosperity is in large measure contingent upon drastic rationalization and electrification in many fabrication processes. Only in such fashion can Belgium undersell her competitors at home and abroad. At the same time, the control which can be exercised over companies under the joint-contract system "cannot be confiscatory"—phrase of iniquitous import—and the consumers thus ultimately must pay for production wastes. It should be mentioned that the electrical industry in Belgium is apparently too conservative to realize that certain machinery should not be continued in service until it literally falls apart; it has become dominated by the doctrine of "safety first" for its investments.

The 1928 production statistics are indicative of the relative importance of the various types of electricity supply:

Communal plants.......	140,000,000 kw.h.
Regional contract plants..	1,325,000,000 kw.h.
Private plants..........	2,260,000,000 kw.h.

It is readily observed that the communal plants attained to barely a tenth of the production of the *societies concessionaires,* and hardly more than a thirtieth of the total production.

The ultimate solution of the problem is not yet in sight. Conceivably it might come through an extension of the system of intercommunal direct operation, or through the extension of public control. There are times in the industrial and economic history of nations, however, when, no matter how generally acceptable its capitalistic institutions, the "rule of law," in the subtler hypocrisies of its current development, imposes upon such nations an unmitigated hardship and an unrelieved nuisance.—*L'Administration Locale,* June, 1930.

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Electricity Nationalization in Costa Rica.—There are three electric companies in Costa Rica, the Compañía Nacional Hidroélectrica, the Compañía Nacional de Electricidad, and the Costa Rica Electric Light and Traction Company, Ltda. There is also a board of electricity control and rate fixation, called the Servicio Nacional de Electricidad. There is an article in the Costa Rican constitution prohibiting monopolies. There is also a sort of informal agreement or intangible holding company which has consolidated at least the policies of the three electricity units.

The action of the companies is far from being without apology, or even justification. The rates which in many instances have been fixed by charter of incorporation or by franchise are, at least in the case of the Light and Traction Company, virtually confiscatory, and effectively prevent the maintenance of a satisfactory and efficient service in San José.

In the case of all the companies, however, there is urgent pressure for revaluation. The law provides that the value shall be calculated on the sale value of the utility, omitting such factors as good will, personal and proprietary interests. It is this value upon which rate variations, within its legal prerogatives, are determined by the Junta. The Servicio Nacional has been willing to allow an eight per cent return on the real value of the properties, and an additional two per cent as a depreciation reserve. This was proclaimed late last November, and has been in operation since that time.

The rate, however, is not satisfactory to the consumers. Too, there has been much agitation concerning the quality of the service which has been rendered. Finally, under the new plan, with the holding company somewhere in the offing, it is felt that the interests of the consumers as to the maintenance of an efficient service is not adequately protected. It is implied, in some quarters, that there has been a sort of "insulation" of the Servicio Nacional.

That being as it may, the sum total of the discussion has been the revival of agitation for electricity nationalization. The Junta itself is generally assumed to favor nationalization. The companies demur both as to the manner and the recompense provided by various unofficial agencies as the basis of settlement. Meanwhile, the Servicio Nacional has committed itself to doing the companies "justice," in accordance with the principles of regulation generally followed in the United States. It is precisely justice of this sort which enables utilities to own and operate utility commissions, as the Costa Ricans doubtless soon will realize.

Nationalization is opposed on many scores, mostly theoretical and emotional, which lend themselves to the Latin temperament and language. Señor R. Coto, however, has admirably summarized the case for nationalization on purely pragmatic grounds. He points out that the most urgent need in connection with the electricity supply is the extension of its consumption; he further indicates that, as in the case of a virtual private monopoly more or less regulated, this extension is not likely to occur with the rapidity which is essential for the furtherance of national progress. The goal is even less likely of realization under the devastating effects of wasteful competition.

He refers also, in a remote way, to the evils attendant upon utility stock manipulation such as occurred in Wall Street some months back. From a more immediate point of view, however, he insists upon nationalization as a measure of conservation and development, rather than as a drastic expedient in the alleviation of an annoying problem.

He makes the point, and quite justifiably, inasmuch as most of the electricity stock is in foreign hands, that regulation is likely to prove unsatisfactory to foreign investors. Of course, nationalization is hardly designed to please them greatly, but there is a legitimate argument for the assumption of electricity supply while the industry is yet infantile, and before rights have become too vested. And finally, there can be no doubt that, for the utilities, Costa Rica is a *patria por reconquistar*, but for Señor Coto, it is *una patria que gardar con honra.*

The analysis of the problem purely from the standpoint of the economic production and distribution of electricity and of administrative organization and capability seems largely to have been disregarded.—*Comuna y Hogar*, August, 1930.

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Borough Boundaries in London's Hinterland. —It is a well-known fact that the built-up area of the London agglomeration spills out in many directions past the limits of the Administrative County. West Ham, for example, is really as much a part of London as the Metropolitan Borough of Woolwich, although under the jurisdiction of the Essex County Council. The consolidation of the London region transportation services, together with the considerable control exercised by the ministry of health and other central authorities, has lessened the intensity which might otherwise be operative for a wholesale integration and territorial rationalization of extra-Administrative County London.

Certain difficulties, however, have made themselves apparent even in these outlying portions as regards their territorial relations with each other. A proposal for rearranging the boundaries of the Borough of Walthamstow, by the annexation of Chingford, U. D. C., has been brought to the attention of the Essex County Council Local Government Committee. This annexation would increase the population of Walthamstow from 125,000 to 160,000.

An attendant proposal is concerned with the annexation of the Woodford urban district area on the Walthamstow side of Woodford New Road and the Leyton municipal borough area on the Walthamstow side of the Lea Bridge Road. Leyton, it is understood, is supposed to be favorable to the absorption of both itself and the Chingford area by Walthamstow to form a single county borough. If these three areas were combined the population of the Walthamstow County Borough would be about 267,000. The populations of the three other county boroughs in Essex are: West Ham, 301,000; East Ham, 147,000; Southend, 106,000.

It is anticipated that this combination and reduction of the number of local authorities will greatly facilitate the operation of several services supplied by the several areas on an economical basis, and also will smooth out relations not only with Essex, but also with the central departments having jurisdiction in this area.—*The Municipal Journal,* September 5, 1930.

GOVERNMENTAL RESEARCH ASSOCIATION NOTES

EDITED BY RUSSELL FORBES

Secretary

Recent Reports of Research Agencies.—The following reports have been received at the central library of the Association since September 1, 1930:

Kansas City Public Service Institute:
  Registration and Elections in Six Cities.
  City Firemen's Pension Fund.
Citizens' Bureau of Milwaukee:
  City of Milwaukee's Major Financial Transactions, 1920–1929; Prepared to serve as the Basis for a Long-Term Program.
Bureau of Municipal Research of Philadelphia:
  Juvenile Division of the Municipal Court of Philadelphia.
  Municipal Salaries in Philadelphia, 1915–1930.
School of Citizenship and Public Affairs, Syracuse University:
  Control of Public Utilities Abroad.
  The Administration of Damage Claims in New York State Municipalities.
  Crime Prevention as a Municipal Function.
  Municipal Insurance Practices of New York Municipalities.

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California Taxpayers' Association.—The Research Department is now engaged in an intensive study of the state budget and has been sitting in at the budget hearings. A ten-year building program for Fresno County has been completed. The Pasadena school survey and the Fresno County school survey are in process of completion.

The Association has gone on record in favor of the fixing of salaries of state administrative officials by the legislature; the taxation of toll bridges acquired by the state as long as the state collects the toll; the $10,000,000 San Francisco Harbor bond issue, the permanent registration of voters, and the collection of personal property taxes on motor vehicles by the state.

The Research Department has started a survey of the San Diego county government. The study will cover the following eleven objectives: organization of county government; statistical material, including population, assessed valuation, receipts and expenditures, tax rates, tax burdens, bonded debt, statistical comparisons, records, and accounts and budgets; highways; city and county schools; purchasing and supply management; inspectional offices; service offices; charities and welfare; miscellaneous services, such as garage, library and parks; methods of accounting for fines in courts; and inventory of lands owned by the county.

The Research Department has completed its study of the costs of the state highway department during the last ten years. From June 30, 1920, to June 30, 1930, the state expended $345,000,000 for its highways. The Department estimates that during the next ten years, on the basis of the present three-cent gasoline tax, the state government will collect $600,000,000 for highways. Of this sum $200,000,000 will be allotted for maintenance and reconstruction, $200,000,000 for new construction on state highways, and $200,000,000 will be given to the counties for road construction.

At the fifth semi-annual meeting of the Association, held in San Francisco, the following legislative program was adopted:

1. Establishment of a debt limit in special assessment procedure and changes in the existing public improvement laws which will protect the property owner adequately;

2. Legalization of the photographic method of recording deeds and public documents;

3. Industrialization of state prisons by making it possible for the state to use prison-made goods without entering into competition with free labor or private industry.

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Citizens' Research Institute of Canada.—The Institute was engaged by the city of Port Arthur to coöperate in the reorganization of the assessment department and the making of the 1930 assessment under the new system. This work has now been completed.

The annual convention of the Canadian Tax

Conference of the Institute is being held in Toronto on November 6 and 7. The Tax Conference is this year dealing especially with the subject of assessment. The provisional programs are now in print. The proceedings containing papers and subsequent discussions thereon will be printed shortly after the convention. Members of the Tax Conference all receive a copy free of extra charge. Non-members who are interested in the subject of assessment can procure a copy for the sum of $2.00.

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Philadelphia Bureau of Municipal Research.—The Thomas Skelton Harrison Foundation has just published a report by the Bureau of Municipal Research on the *Juvenile Division of the Municipal Court of Philadelphia.* This is another of the reports made by the Bureau in its survey of the municipal court. The author of the report is Joel D. Hunter, superintendent, United Charities of Chicago, formerly chief probation officer of the juvenile court of Cook County, Illinois.

A number of recommendations are made in the report, but the one of outstanding importance is that the juvenile division be provided with a better qualified probation staff and with more competent and inspiring leadership. The probation staff is appointed by the board of judges. At the time of the study appointments were not based on careful examination of the qualifications of the candidates, and apparently this is still true. As a means of obtaining a better probation staff the report recommends that the board of judges ask a citizens' committee to hold examinations for the position of chief probation officer of the juvenile division and for assistant probation officers, and that all future appointments be made from lists submitted by this committee. This is a plan which has operated successfully in Cook County, Illinois, where, as in Philadelphia, there is no official civil service system for court employees.

The report analyzes 350 juvenile cases, so selected as to give assurance that the analysis would fairly represent the court's work. A chapter dealing with investigation pronounces the investigation, as shown by the sample cases, to be good in some respects, but poor in some very important respects, such as contacts made with relatives and social agencies. In a chapter on probationary supervision, an outstanding finding is that the probation force rarely planned for their charges and that they did very little family reconstruction work. The importance of planning and family reconstruction work are strongly urged in the standards for juvenile court work promulgated by the United States children's bureau and the National Probation Association.

Copies of the report are available free of charge on application to the Bureau of Municipal Research, 905 Social Service Building, 311 S. Juniper Street, Philadelphia, Pa.

The Bureau has just published a report entitled, *Municipal Salaries in Philadelphia, 1915–1930.* This report, which consists of 62 mimeographed pages, is a statistical study of standards of compensation in the city service of Philadelphia in 1915, 1920, 1925, and 1930. It compares Philadelphia's municipal salaries with those of other large cities of the United States and with rates of pay in private establishments in Philadelphia. It also compares the increases in municipal salaries in Philadelphia since 1915 with increases in the cost of living and with increases in municipal pay in other cities.

The preparation of this report was undertaken as a piece of coöperation with the Civil Service Commission and with J. L. Jacobs and Company, the private consulting firm of Chicago, engaged by the Commission for the classification study which was begun last spring. While the completed report was not made public until early in October, the more significant material it contains was made available to the Civil Service Commission and to J. L. Jacobs and Company in July of this year. The Bureau's primary purpose in preparing this report, however, was to enable the mayor and council, the editorial writers of Philadelphia newspapers, and interested taxpayers to pass intelligently upon the feasibility of the Jacobs salary recommendations.

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Schenectady Bureau of Municipal Research.—A special committee of the board of directors of the Bureau is now studying a report on Schenectady's waste collection and disposal problems prepared by the firm of Pearse, Greeley and Hansen of Chicago. It is expected that definite recommendations to the common council will be made by the board.

Because of certain recent irregularities in local civil service procedure, the Bureau has again renewed its recommendations for a full-time director of personnel to supplant the present part-time lay commission. This matter is receiving the very close attention of the board of directors and it is expected that improvements based on the 1928 survey made by the Bureau will result in better personnel administration.

The Bureau has played a very active part in the preparation of the 1931 city budget by the local board of estimate and apportionment. A committee from the board of directors called upon the estimate board and discussed various phases of the budget with that body. At the instance of the Bureau, an item of $5,000 was placed in the budget for a complete audit of municipal account, the last audit having been made in 1923. Also the Bureau was able to assist the comptroller, through information obtained, in raising one item of anticipated revenue from the expected figure of $240,000 to $400,000. The Bureau plans shortly to issue a budget bulletin which will present the salient facts about the budget in simple form. During the preparation of the annual estimate, the budget authorities made liberal use of the Bureau's facilities.

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Toledo Commission of Publicity and Efficiency.—The Commission has recently submitted, at the request of the director of public safety, a memorandum on working conditions among firemen in various cities, especially with regard to the length and arrangement of the working shifts. A supplementary memorandum is in process of preparation and will include similar pertinent information on all cities over 50,000 population.

Several ordinances increasing salaries in retroactive fashion and seeking to give compensation for back pay have been tabled by the council as a result of opposition by the Commission based on illegality of the ordinances. The position of the Commission, urging that these ordinances be defeated on account of their illegality, was substantiated completely by an opinion of the office of the Ohio attorney-general.

A study of the Toledo recreation program and its needs and general administration has been undertaken and is being carried on with the assistance of L. H. Weir of the Playground and Recreation Association of America. A study of the arrangement under which, by ordinance of council, all fees for municipal golf are paid into a special fund and costs chargeable to golf paid out of this fund is being made as a part of the recreation report.

The *Toledo City Journal* in late issues has published articles on the city debt, revenues and expenditures for 1929; on comparative tax rates in Ohio cities and the local tax rate analyzed as to units and purposes, together with budget requests for 1931; and the proposals of the city and county with regard to the distribution of the rate in various units. Other articles included summaries of the fire underwriters' report recently issued for Toledo, the report of the committee of the National Municipal League on the county manager plan, and the annual report of the Toledo fire department for 1929.

In connection with the educational function of the Commission, the secretary, H. T. Shenefield, in collaboration with J. O. Garber, formerly secretary of the Commission and now with the St. Louis Bureau of Municipal Research, is writing a high school civics text on city government and city planning in Toledo. It is expected that the text, which has already been contracted for by the board of education, will be off the press about November 15 and be available for use in the high schools during the present year. The secretary is also preparing a primer of citizenship for use in the educational program of juvenile social work agencies.

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Toronto Bureau of Municipal Research.—The thirty-second convention of the Ontario Municipal Association, of which the director of the Bureau is secretary-treasurer, was held on August 27, 28, and 29 and was attended by some 200 delegates representing various municipalities in Ontario. The director gave a paper on "Uniform Accounting for Municipalities" before the convention of the Union of Canadian Municipalities held in Hamilton, Ontario, on September 8 and 9.

The first story in the series on municipal reporting has been issued. Stories No. 2 and No. 3 on "How the City Government Could be Improved" have been prepared.

NOTES AND EVENTS

EDITED BY H. W. DODDS

Awakened Interest in the Government of Kentucky Municipalities.—The newest ideas in city government have been slow in reaching the state of Kentucky. Municipal experts in this state have been few, and these few seem to have been more interested in their personal enhancement than making any constructive contributions to the administration of Kentucky cities. Not until the most recent years has there been any widespread attempt to apply modern methods to the government of our cities.

The year 1928 marks a new era for Kentucky municipalities. In the fall election of that year the question of the adoption of the city manager form of government was presented to the voters in three Kentucky cities, this action having been authorized by the 1928 legislature in a bill providing for optional city manager government in second and third class cities. The cities were Covington, Lexington and Owensboro, and the city manager plan was ratified by the voters in each case. Advocates of the bill, however, were soon to receive a severe shakeup in their plans. On May 31, 1929, the Kentucky court of appeals declared the 1928 legislation to be unconstitutional because of a defect in the title of the bill.[1]

DELAY FORCED BY COURTS BENEFICIAL

Despite the fact that the decision retarded manager government in Kentucky for a period of at least two years, the result probably has proved beneficial to the cause of the city manager. In the first place, adherents of the plan were given time to strengthen their forces and to iron out obvious defects in their previous campaigns. Secondly, due possibly to a mistaken knowledge of the court's decision in the case, the rumor was spread in some sections of the state that the Kentucky court of appeals opposed the manager form and had allowed this dislike of the movement to influence it so far as to give an unfair decision in declaring the city manager law unconstitutional. This rumor, despite its obvious falsity, seemed to bolster up public sentiment in favor of the manager plan. Finally, the 1930 legislature was induced to pass a bill providing for optional city manager government in cities of the second class, and this law contains many features of noticeable improvement over that of 1928.

TWO CITIES HAVE DE FACTO MANAGERS

City manager government in Kentucky once more seems assured. Not only has the manager form a clear title in the laws of the state, but it is already a *de facto* institution in at least two cities of Kentucky. Beginning January 1, 1930, a city manager assumed the duties of the office in Covington. The board of city commissioners simply evaded the law in this respect by giving their own salaries to pay that of the city manager. Some weeks ago O. A. Kratz, formerly city manager of Dubuque, Iowa, assumed the position, following the resignation of Colonel W. C. Bell, who had held the office since January 1. The other Kentucky city which recently adopted a sort of city manager government is Paris. In the latter city, the commissioners went about the task of revising the whole city administrative organization in order to provide for the office of "city managing agent." In addition to these two examples, the city of Cynthiana has been operating for several years under a somewhat similar plan, though the kinship to the true city manager form of government is not as clearly shown. And the promising feature of the whole affair is the absolute success of the disguised manager government in each case.

LEAGUE OF MUNICIPALITIES ORGANIZED

Almost parallel with the city manager movement in the state there came a call for a Kentucky league of municipalities. Having assisted in the campaign for the city manager form in Lexington during the fall of 1928, Dr. J. Catron Jones, head of the political science department of the University of Kentucky, recognized the acute need of improvement in city government throughout the state. In the spring of 1929 he and his staff planned the introduction of the municipal league idea in Kentucky. On May 10, 1929, in response to a general call from Dr. Jones, a group of city officials representing some fifteen cities met in Lexington. Among the other speakers on the program for the day was Morton L. Wallerstein of the Virginia League of Municipalities. He explained to the delegates something of the value of a municipal league and something of the work being done by the leagues in other states. Thanks to the thoroughness of the plans, the session was not adjourned until the delegates had adopted a constitution for the Kentucky Municipal League and elected officers for the year.

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[1] *City of Owensboro* v. *Hazel*, 17 S. W. 2nd 1031, 1034 (1929).

Even though the Kentucky league is little more than one year old, it has already made an unusual showing. Starting in 1929 with ten cities, the league's membership now embraces all but two cities of the first three classes. There are about twenty-five additional members, most of which are representative of the fourth class. A membership drive is now in progress, and it is believed by the officers that the membership will be increased to one hundred cities before the league celebrates its second anniversary.

The Kentucky Municipal League now maintains a research bureau and reference library at the headquarters in Lexington. Thousands of publications have been collected, and all important current municipal literature is gathered and kept on file. The research bureau has collected varied data relating to Kentucky cities, and soon will publish a Kentucky Municipal Yearbook, which will present this information in compact and readable form. Dozens of inquiries from member cities on all sorts of municipal problems are being answered each week. On September 1, 1930, Dr. J. W. Manning came from the University of Iowa to assume the directorship of the league's research bureau.

"THE KENTUCKY CITY"

"The Kentucky City" was established in the spring of 1930 as the official publication of the Kentucky Municipal League. This weekly bulletin marks a definite improvement over the usual monthly or quarterly magazine in that it is more readable and serves to keep city officials in constant touch with the league. Under the editorship of Roy H. Owsley, who has been serving as assistant secretary of the league, "The Kentucky City" has already gained national recognition.

The Kentucky Municipal League gives every promise of success. Its growth has been unusually rapid; its work has been extensive and thorough; its members have been increasingly enthusiastic; and its officers are energetic and competent. Thus its success is practically assured, and if the league is successful, much progress can be expected in Kentucky municipalities within the next few years.

Roy H. Owsley.

University of Kentucky.

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New York Considers Abolition of Remaining Traces of Personal Property Tax.—A movement is now under way which will probably mark the end of the remaining vestiges of the personal property tax in New York State. The Special Committee on Taxation Administration of Mayor Walker's Committee on Taxation, Lawson Purdy, chairman, has recommended the abolition of what has become an arbitrary and haphazard attempt to reach a certain class of tangible wealth. No one can now be found who seriously favors its retention.

At one time New York, in common with most states, relied heavily upon the personal property tax. By successive stages, all personal property taxes have been removed except the present tax on tangible personalty. When the state turned to the income tax, taxes on intangible personalty were properly relegated to oblivion. Only the tax on personal articles such as household furniture, livestock, farm machinery and the stock and machinery of unincorporated business and the like was retained. The New York Joint Legislative Committee on Taxation and Retrenchment on several occasions has recommended its repeal. In 1928 a sub-committee of the New York City Committee on Plan and Survey condemned this survival from olden days, and it now appears that Mr. Purdy's committee has delivered the *coup de grâce.*

The tangible personal property tax, with minor exceptions, is paid only by natural persons or unincorporated business (of the latter few survive). The rate is the same as the local general property tax rate. Its assessment is so slovenly that many cities and towns make no assessment of personal property at all. In 1927 New York City's assessment amounted to $308,000,000; the total assessment for the state was only $334,000,000.

New York City's effort to assess tangible personalty is a joke. Mr. Purdy asserts that it is common belief that the telephone book and the Social Register are the chief administrative instruments employed. Watchmen, janitors, coachmen and the like are assessed for large sums of money, says Mr. Purdy, when, if the circumstances of such persons were known, it would be obvious that they would not be liable for any such tax at all. About half of the persons assessed have their assessments cancelled. In 1929 in New York City only $311,000,000 out of a total assessment of $1,154,000,000 remained on the books when the grievance period was over. Less than 25 per cent stuck. Many who are left on the books don't pay and little attempt is made to collect arrears.

New York state has wisely solved most of the difficulties of the personal property tax by abolishing it almost *in toto*. The step now urged by Mr. Purdy has the support of numerous recommendations of past official bodies. It should be taken without delay.

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Local Welfare Agencies.—The Social Work Yearbook for 1929, soon to be published by the Russell Sage Foundation, will contain a chapter on local agencies of public welfare. A progressive movement which is noted is the increasing use of the county as a unit in welfare work.

Since the pioneering step of North Carolina in the passage in 1917 of its state-wide county organization law, other states have adopted more or less similar plans. For example, county organization has progressed in Virginia according to a state-wide program, with local boards and superintendents of public welfare. Missouri has provision for county superintendents but not boards. California reports a considerable number of counties organized with county welfare departments and full-time trained welfare agents. The Florida law of 1927, creating the state board of public welfare, gave it the task of encouraging and assisting in development of welfare work on a county-wide basis. In 1929 the Florida Commissioner reported that 10 counties had organized welfare work, partly if not wholly financed by the county. Georgia has adopted a policy of urging the counties to employ trained workers but allowing the form and manner of support of the county organization to vary, some counties having the work publicly financed and administered, some privately, some having a combination of the two, and some changing as desired from private to public auspices, and vice versa. New York, which previously had only county child welfare boards, has recently made provision for local district public welfare organization. Pennsylvania has councils of social agencies in some counties, welfare federations in others, and welfare boards in still others.

First Annual Ohio Fire School.—The first annual Ohio Fire School was held in the Chemistry Lecture Room of the Ohio State University, Columbus, September 15–19. There were 238 fire chiefs, firemen and safety directors from forty-one cities and villages of the state present at the session. The program was arranged so that the mornings were devoted to lectures and discussions and the afternoons to practical demonstrations of fire-fighting apparatus. The men who attended the sessions were very enthusiastic in their commendation of what had been accomplished and requested that a similar school be arranged for 1931. Plans are being started for this project which will, of course, involve a somewhat different program, and there is some hope that funds may be secured to finance the project from public sources. The school was the joint product of the Ohio Fire Chiefs' Association, the Ohio State University, the Ohio Municipal League, the Ohio Inspection Bureau, and the State Fire Marshal's office.

HARVEY WALKER.

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Bowles Definitely Out.—The courts having decided against Ex-mayor Bowles of Detroit on his recall complaint, Mayor Frank Murphy is definitely in the executive's chair. Whatever the ex-mayor's future political ambitions may be, his term as the chief executive of the city contained nothing to commend him to the generosity of the electorate. Mayor Murphy's big job is the unemployment situation which is extremely serious in Detroit. The committee which he has appointed to study and report will proceed carefully, but, it is hoped, effectively. Already it has announced there are 100,000 unemployed in the city.

⁂

Portsmouth's Police School.—City Manager C. A. Harrell of Portsmouth, Ohio, has organized a police school which is running this year from September 29 to November 7. While Mr. Harrell recognizes the limitations under which a city of 50,000 population operates in establishing such a school as against a large city, he has prepared a comprehensive and varied curriculum. The class for day men meets at 10.00 A. M. and for night men at 8.00 P. M. Each daily period is divided into two parts, the first for lectures and the second for discussion. The men are required to take notes; and in addition a reporter makes an outline of each lecture and discussion which is later mimeographed and distributed to the men for permanent record. In addition to subjects immediately related to police work there are lectures on such topics as the spiritual life of a police officer, social service agencies in Portsmouth, relation of the fire department to the police department, the police department and public relations, and the municipal government of Portsmouth.

⁂

The American Civic Association held its Fourth Traveling Annual Meeting October 20–22. This year the scene of activities was the Philadelphia Tri-State Region. On the first day the traveling convention moved from Philadelphia through Fairmount Park to Valley Forge, thence returning to Philadelphia for tea at the Art Alliance and a reception at the Art Museum. On the second day the Delaware River bridge and its approaches were studied and a field trip taken to Princeton by way of Camden. After dinner, bed and breakfast at Princeton, the company returned to Philadelphia on the third day by way of Trenton. The Regional Planning Federation of the Tri-State District is proceeding satisfactorily with its regional plan for Philadelphia and environs, and the traveling meeting gave the members of the American Civic Association an excellent opportunity for visualizing the conditions and problems of the region.

⁂

The National Recreation Association held its seventeenth congress at Atlantic City, October 6–11, with more than seven hundred persons in attendance. Speakers included Dr. John H. Finley on "A Look Ahead," Dr. John Erskine on "What Human Beings Need," Rabbi Silver on "Recreation and Living in the Modern World," and Professor Charles W. Kennedy and Dr. Joseph Lee on "Character Values of Play and Recreation."

⁂

Rotherham (England) Town Council, according to the London *Municipal Review,* has applied to the ministry of health for permission to set up a birth control clinic. The scheme has the approval of the municipality's medical officer and is proposed on the recommendation of the public health committee of the Council. The service of the clinic will be limited to those who qualify on a form of declaration which the council has prescribed.

⁂

Liverpool (England) City Council has requested the approval of the ministry of health to erect a large block of tenements, some of which will be ten stories in height—skyscraper altitude for the British Isles. The buildings are part of a slum clearance problem and the unusual height is necessitated by the fact that the area available for re-housing, after the present slums are removed, is much less than the total area to be cleared. To provide for the present residents high buildings have been resorted to. The new accommodations will provide 397 separate apartments.

⁂

The Western States Taxpayers' Conference convened at Phoenix, Arizona, October 28 and 29. The central theme of the meeting was Expenditure Control. The Conference boldly attacked a study of school expenditures and likewise delved into the difficult question of How Much Shall Government Do For Us?

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THE LEAGUE'S BUSINESS

Annual Business Meeting.—The annual business meeting was held at the Hotel Statler, Cleveland, on Monday evening, November 10, in connection with the National Conference on Government. In the absence of President Richard S. Childs, Louis Brownlow served as presiding officer.

Colonel C. O. Sherrill, former city manager of Cincinnati, spoke briefly, urging the appointment of a committee on stabilization of industry to aid unemployment. After discussion, the meeting voted to authorize President Childs to appoint a committee which would offer its services to President Hoover to further his work in unemployment relief.

Howard Strong, executive vice-president of the Wilkes-Barre Wyoming Valley Chamber of Commerce, reported as chairman of the National Municipal League Committee on Local Branches, which was appointed last July by authorization of the executive committee. The committee report reviewed the arguments for and against the establishment of local branches and concluded that at this time it would not be advisable for the League to change its policy in this respect. The committee believed that the difficulties and disadvantages involved in the creation of local branches would outweigh the potential advantages and, therefore, expressed its belief that the National Municipal League should for the present remain a unitary body rather than become a federation. The committee, however, advocated the establishment of local membership councils to be composed of present members of the National Municipal League and those who become members after the council is established. Such membership council would help as a "sales" body for the League's principles and publications; would help to increase the number of members in a given locality; and would serve as a "minute man" organization to safeguard the interests of good government. A copy of the committee report can be secured by any member by writing to the League headquarters. The committee making this report has the following personnel:

Howard Strong, Wilkes-Barre Wyoming Valley Chamber of Commerce, *chairman*
H. S. Buttenheim, *The American City*, New York City
H. S. Braucher, Playground and Recreation Association of America, New York City
Lent D. Upson, Detroit Bureau of Governmental Research
H. M. Waite, Cincinnati

Harold S. Buttenheim, editor of *The American City*, reported as chairman of the Committee on Nominations and nominated the slate of officers which was announced in full on this page in last month's issue. The committee recommended that, instead of having a number of vice-presidents coördinate in rank and responsibility, the work of the League would be furthered by having first and second vice-presidents and a number of honorary vice-presidents. The committee further suggested that Dr. Charles A. Beard be nominated as first vice-president, and Louis Brownlow as second vice-president. The report of the nominating committee was accepted without opposition. The Committee on Nominations consisted of the following members:

Harold S. Buttenheim, *The American City*, New York City, *chairman*
Richard Crane, Richmond, Virginia
George H. Hallett, Jr., Proportional Representation League, Philadelphia
Edward M. Martin, Union League Club, Chicago
Walter Matscheck, Kansas City Public Service Institute

RUSSELL FORBES, *Secretary.*

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EDITORIAL COMMENT

Review of the Cleveland Convention

The Thirty-sixth Annual Convention of the National Municipal League held in Cleveland, November 10–12, in conjunction with the Governmental Research Association, the National Association of Civic Secretaries and the American Legislators' Association, under the joint caption of the National Conference on Government, was by common agreement voted one of the best, if not the best, in our history. The program was extraordinarily full. Each day saw breakfast, morning, noon, afternoon and evening sessions. In the brief space of three days twenty-two formal meetings were held, not counting the sessions of the Ohio Municipal League and the Ohio State Conference on City Planning, two associations which also joined in the general conference. The program was brought to an end by the annual dinner of the Proportional Representation League.

In no previous year has such an ambitious or luxuriant program been attempted. Surely a more hard-working body of people never assembled to do honor to the convention god. Strong praise is due the local committee on arrangements for the excellence of the program and for the quiet but effective handling of the scores of detail which make or mar a convention. And when we say committee on local arrangements, we really mean Mayo Fesler and the staff of the Citizens' League of Cleveland.

Each year the work of arranging and administering the program of the annual convention throws a heavy burden upon the central office of the League. Great credit must be paid to the leadership of Russell Forbes, secretary, and to Howard P. Jones, public relations secretary, and the headquarters staff.

Out-of-town attendance was the largest on record. Local attendance was also greater than usual. Clevelanders by their presence and understanding adequately sustained the city's reputation for hospitality and civic-mindedness.

The acid test of any convention is the last luncheon meeting. If, after days of hotel food and miles of oratory, interest is maintained through this session, those in charge of the arrangements may rest content. The final luncheon session at Cleveland filled the ballroom of the Hotel Statler, as had similar meetings on preceding days and the banquet the night before. The manner in which attendance was sustained to the very end is conclusive objective proof of the exceptional success of the Cleveland meeting.

*

Richard S. Childs was unanimously reëlected president of the League at the annual business meeting. Mr.

Childs, having returned from Europe only two days before the Conference opened, was detained in New York by business accumulated during his absence abroad and was unable to come to Cleveland. Incidentally, it was the first meeting of the League which he had missed in twenty-one years.

⁂

Miss Clara Gonzalez, the first woman lawyer in Panama, attended the National Conference on Government as a representative of the government of the city of Panama. She is a leader of the feminist movement in Panama and was active in the campaign which resulted in the women of Panama obtaining the vote recently.

⁂

One of the most interesting sessions in years was the luncheon meeting on the topic, "The City Manager Plan under the X-Ray." At this session George B. Harris, Esq., of Cleveland, attacked the manager plan without mercy. After reference to the political genius of the American people (later Dr. Hatton said that political habits were often mistaken for political genius), Mr. Harris asserted that the manager plan reduced the interest of voters since they cannot feel that their votes are really significant. The plan, moreover, destroys political leadership since it does not permit real leaders to develop. It also tends, said Mr. Harris, to destroy political opposition to the incumbent régime and develops confusion within the two party system of government upon which the stability of our national and state structures depends. Mr. Harris is to be commended for the courage of his attack before an audience more experienced in political argument than is commonly found. Nevertheless, it was a surprise to the managers to be told that the plan reduces the interest of voters in the city government and destroys political opposition. Testimony from Cincinnati was particularly strong at this point in opposition to Mr. Harris. The speaker's statements as to the conduct of former Manager Hopkins brought emphatic denials from Cleveland's former chief administrator. Others including Mayor Russell Wilson of Cincinnati and Dr. A. R. Hatton joined in rebutting some of Mr. Harris' contentions.

The session on the manager plan was concluded with a talk by Prof. Leonard D. White of the University of Chicago on the topic, "Is the Manager Plan the Last Word?" After thoroughly canvassing the experience of manager cities and comparing the work of the managers with that of elective mayors, Professor White reaffirmed his conclusions of five years ago in his book, *The City Manager*. The city managers, he finds, have a remarkable record of devotion to the larger interests of the city even at considerable cost to themselves. They have been unwilling to deceive the voters about the real condition of city affairs; they have dealt openly with their critics; they have sought support for the larger interests of the city on the basis of the plain truth; they have been refreshingly free from the arts and wiles of the traditional American executive and by their unflinching devotion to their jobs have furnished American cities with a new and a finer conception of official duty.

Dr. White concluded that he would be unwilling to apply a similar characterization to any group of four hundred mayors selected at random.

⁂

One of the best extemporaneous talks of the convention was that of George U. Harvey, borough president of Queens, New York City, in which he advocated a state department of cities to function as a service bureau to municipalities. Such a department would prepare standard specifications and act as a testing laboratory and advisory service to which cities might turn for information and guidance. Today, Mr. Harvey asserted, public officials are largely at the mercy of equipment and supply salesmen. As a consequence, every decision on purchases is a leap in the dark for the official concerned.

As a further incentive to economy, Mr. Harvey would have the state department of cities publish periodical price lists showing what the several cities are paying for common materials. City officials who are paying higher prices than those prevailing elsewhere would become the object of criticism by inquiring taxpayers and cases where ignorance or favoritism had brought about a higher price could not be concealed.

Mr. Harvey's suggestion for a department of cities was favorably received by his hearers, many of whom, however, felt that he overlooked existing services fulfilling in part the needs which he described. Although perhaps he did not intend it as such, his talk was an impressive argument for the necessity of professionalizing municipal administration. City managers are fitted by training and experience to meet the difficulties which are apt to overwhelm the conscientious elected official suddenly thrust into office, a class to which Mr. Harvey undoubtedly belongs. If he had been an experienced city administrator when he became president of the borough of Queens, he would have recognized that there are numerous agencies in existence prepared to help him on the baffling problems with which he was confronted. Like most of our municipal officials, he was an amateur at the start and had to learn the business as a beginner.

A state department of cities rendering the service which Mr. Harvey described would undoubtedly be helpful. If our municipal executives are amateurs it can help train them for usefulness in the brief period of their tenure. But how much more useful would such a department be, working with professional administrators who had passed beyond the rudimentary elements of their vocation.

*

A high spot of the Conference was the "Where Do We Go from Here?" talk of Professor Merriam at the banquet on the second evening. He ventured to prophesy that within the next twenty-five years:

1. The coming city will more nearly include the metropolitan area than at present.
2. The city will approach more nearly equal representation in state legislation and will be more closely organized with other cities, thus increasing the effectiveness of its political demands.
3. There will be some experimentation with city states.
4. The spoils system will be well on the road to oblivion.
5. The city will advance in social planning as it has in the field of physical planning during the past quarter century.
6. Crime prevention will become more important than crime repression.

*

Men too often think of women in politics as merely the parsley about the ham, asserted Mrs. Harriet Taylor Upton of the Ohio State Department of Welfare, at the banquet session. "Woman's place in improved government depends upon man's attitude towards her," continued Mrs. Upton. "If she is absolutely free, absolutely welcomed, absolutely desired, she will aid you; otherwise do not waste your time with her. May I suggest that if this subject comes up another year, you word it differently, as for example: 'Are We Missing a Chance?' or better yet: 'What Strong Ally Have We Overlooked in Our Struggle for the Improvement of Government?'"

✱

The essential functions of the personnel agency in present-day government, declared Charles P. Messick, extend far beyond the field originally marked out for the civil service commission. The principal duty of this agency as early conceived was to interpose barriers to what was believed to be the normal procedure of administrative officers. The personnel agency can no longer serve government, if it ever could, by the exercise of purely negative functions, nor can it exist as something independent of and outside the administrative fabric.

✱

Veteran preference laws are a serious obstacle to the proper functioning of the merit system, said H. Eliot Kaplan in his talk on "Defects of Civil Service Administration as Revealed in Practice."

Veteran preference proposals have in most cases been aided and abetted by the same political groups that have persistently placed obstacles in the path of the Civil Service Law. No political organization has had the temerity to suggest that preferences for veterans should be applied to positions outside of the competitive service.

✱

When Detroit began municipal operation of her street railways in May, 1922, the system boasted 373 miles of track, 1,265 cars and deferred maintenance which had been rapidly accumulated just before the properties were acquired by the city. Today, said Del A. Smith, general manager of the Detroit Street Railways, at the session on street railway administration, miles of track stand at 450; the number of cars has increased to 1,800 plus 600 buses operating over 475 route miles. Noiseless roller bearing journals are being introduced, and express service on certain routes has been inaugurated with an average schedule speed of 18 miles per hour.

In all Detroit has borrowed $42,000,000 to invest in her street railways, but today her outstanding debt is less than $36,000,000 against a plant valued at $55,000,000.

✱

Cincinnati has demonstrated that a political organization can exist and win elections, although its members are not jobholders, declared Charles P. Taft, II, at the annual dinner of the Proportional Representation League, held in connection with the Conference on Government. It has been proved possible to raise the necessary campaign funds without having an assessment upon public employees' salaries. It has proved equally possible to get out enough votes to furnish a two-thirds majority in council at three successive elections, without any sign of diminished interest or power. At the same time, there has not been the slightest evidence of any attempt by that independent and volunteer organization or its leaders to control the free and untrammeled decisions of city council on matters of policy, or the complete liberty of action of the city manager as the chief executive.

HEADLINES

The entire Republican council wins in the St. Louis election and all state amendment proposals and city charter changes are defeated. The state-wide vote on the amendment providing a method for merger of St. Louis city and county was: Yes, 278,306; No, 375,718.

* * *

The reapportionment amendment to the state constitution of Michigan placing apportionment of cities in the legislature on a straight population basis loses by more than 50,000 votes.

* * *

"Fight fear to a frazzle" is the idea which City Manager George W. Welch of Grand Rapids would have instilled into the great American public by the city governments. Grand Rapids has launched an intensive campaign to spur public feeling to a higher plane of confidence and is calling upon other cities throughout the country to do the same. That the idea is receiving response may be evidenced from this comment of a Scranton newspaper—"Let Scranton join the great army to fight fear to a frazzle." Another exhibit for Mr. Mencken?

* * *

Arlington County, Virginia, adopts the county manager form of government at the November elections by a two to one vote. The plan was championed by the Arlington County Civic Federation, Arlington County Bar Association, and the Arlington County Chamber of Commerce. The county plans to pay the manager a salary ranging between six and ten thousand dollars a year.

* * *

An amendment providing for a state income tax is defeated in Georgia at the fall election.

* * *

Mayor Murphy of Detroit is sponsoring an old age pension bill which fixes maximum allowance at forty dollars a month and will appear before the legislature himself to urge its passage.

* * *

The new state sales tax of Georgia brought in a revenue of $1,153,406 during its first year, according to State Tax Commissioner R. C. Norman.

* * *

Taxi fares in Richmond, Virginia, are now as low as five cents a mile. Business cannot be done at that rate, says the Yellow Cab Company, asking the city council to set a minimum rate.

* * *

Every city that voted on the manager plan at the fall elections adopted it. These cities are: Oakland and Ventura, California; Arkansas City, Kansas; Covington, Lexington and Newport, Kentucky; Teaneck, New Jersey; Bedford, Ohio; Cleveland, Oklahoma; and Dallas, Texas. In Newport the plan won by two votes. In Dallas it carried by one of the largest majorities ever recorded.

Citizens of Syracuse, New York, spent more for automobiles than for food in 1929 according to the Bureau of Census. Sales of foods ranked second, general merchandise third, and apparel fourth. Sales of automobiles were $27,948,358 or 21.3 per cent of the total retail business of Syracuse.

* * *

The city manager in California does not need to be a citizen of the United States according to opponents of the plan in San Francisco. Much capital is being made of this point in a city still worried by the "yellow peril."

* * *

By actual test it took eighteen minutes simply to read the four ballots on which Chicago voters had to work election day. The law only allows five minutes per voter. It cost $250,000 to print the Chicago ballot.

* * *

Brookline, Massachusetts, the biggest town in the country without a movie house, votes 8,219 to 6,884 to allow one to open. Needham in the same state votes against Sunday movies 2,331 to 1,241.

* * *

A bill will be submitted to the Pennsylvania legislature abolishing penalties on delinquent tax payments in Philadelphia. The old system would be superseded by a plan to enable taxpayers to meet current and back taxes by monthly installments.

* * *

A "female" bloc may control the Cook County, Illinois, board of commissioners as a result of the election of four additional women as members.

* * *

A bill authorizing Philadelphia to vote on the manager plan will be introduced into the Pennsylvania legislature in January.

* * *

Eight hundred cities have already adopted the model traffic ordinance formulated by the National Conference on Street and Highway Safety.

* * *

Thirteen local bond propositions submitted to Chicago and Cook County voters on November 4 were all carried by substantial majorities. These issues which provided money for a large variety of public improvements totalled $28,520,000.

* * *

A program of governmental reorganization centralizing power for the executive department is submitted to Governor M. F. Larson and the New Jersey state legislature by the Abell Audit and Survey Commission.

* * *

The New York City budget for 1931 is $620,840,183, which sets the tax rate at approximately $27 per thousand assessed valuation, varying slightly in the different boroughs.

HOWARD P. JONES.

AMERICAN CITY GOVERNMENT AS SEEN BY A GERMAN EXPERT

BY FRANZ BERTHOLD

Member of the Federal Economic Council of Germany

Many readers of the REVIEW *will recall Dr. Berthold's engaging personality and the almost incredible range and speed of his questions regarding all phases of our municipal life.* :: :: :: ::

THE German proverb, "Wenn einer eine Reise tut, so kann er was erzählen" (He who travels can tell a tale), must be construed in the widest sense of the word if it is to express the large sum of impressions received by a German administrative official when traveling with open eyes and ears on a study trip throughout the United States.

The writer's itinerary was carefully prepared by friends in New York, and his seven weeks' trip covered a territory including New York City, Washington, Durham and Chapel Hill in North Carolina, Richmond, Cincinnati, Indianapolis, Urbana, Chicago, Kenosha, Cleveland, Detroit, Toronto, Buffalo, Albany, Boston, and Trenton.

The writer is glad to have this opportunity to express his sincere thanks to all who were kind enough to give their help, and his hope that his friendly relations with them will persist and that mutual interest will bring about what American people call a "spirit of coöperation."

The motive of the trip was a wish to find in the United States suggestions which would help him in the effort to reform local administration in Germany. He was particularly interested in the question of the limits of the tasks and duties of the "Reich" (the federal union), "Länder" (states) and "Gemeinden" (communes) and their interrelations, as well as the division of the powers and sources of taxation among these three jurisdictions, as these matters affected municipal administration. A German expert notes with interest that the Constitution of the United States does not prescribe the division of powers between the state governments and the local governments, and that there is no more coherent relation between the federal and local governments in the United States than there is in Germany.

AMERICANS PREFER THE PRACTICAL TO THE SYSTEMATIC

The stranger in America is first struck by the mental attitude of Americans, which can be described as one of honesty, openness, broadmindedness, common sense, and a trend toward the practical rather than the systematical. This latter tendency is especially striking to a German official, who has been trained in theory and system, and who has to admit that it is possible to carry on successfully the administration of a country as big as the United States (with its forty-eight states—more than twice the number of the German "Länder") without trained officials, in the German sense, and without any very finished or refined legislative or administrative machinery.

It is difficult to decide whether it is better to follow the German way which involves a system founded on general experiences and intended for general application but which may fail to meet the difficulties of an individual case; or whether it is wiser to follow the example of American administrative officials of applying an individual decision to the characteristics of each case as it arises—a course which runs the danger of repeating mistakes already made. Perhaps it is right and possible to take the middle way. It seems to me that in Germany we rely too much on theory and system, but at the same time I think that the United States could profit from a little more of both.

AMERICAN FEELING FOR THE GENERAL WELFARE

It must not be overlooked that the American people possess considerably more feeling for the general welfare than is common in Germany, and that the existence of this quality aids the administration and prevents the necessity of many controlling measures which are unavoidable in countries where this feeling does not exist. How significant it is that the character of a garden city can be maintained or the appearance of an avenue like Fifth Avenue in New York preserved, without legal requirements or the use of the police power. It is also significant that the construction and planning of a university such as Duke University or the University of Chicago, or of Harriman Avenue in New Jersey rest only on the generosity of liberal and broad-minded donors. How much specialized and wearisome administrative work could be spared if the distribution of the burden of taxes, which causes us so much anxiety (for example, the distribution of the tax on house rent in Prussia) could be revised according to the principle expressed by a well-known tax commissioner: "If Nevada's business is better, then New York's business will be better." Without questioning the sincerity of the above statement, it must not be forgotten, however, that in real life it is easier to take such a high viewpoint when a country enjoys great wealth than it is when the coverlet of finances is too short for the communal family and each member is forced to pull hard at the blanket in order to keep warm.

DELEGATED VS. RESIDUAL POWERS

It is interesting to observe that, in spite of all the differences between the various states, it is nevertheless possible to speak of a model commune, whatever its name may be (city, town, village, or borough), and that the local governments have equal rights on principle, even the numerous very small communities with only a few hundred inhabitants. An interesting measure, which is completely unknown in Germany's communal constitutions, is that which is called "incorporation," and which finds its outward expression in the acceptance or approval of a charter, under which a number of cities receive the power to perform certain tasks which other towns or cities have not been authorized to assume. This touches the greatest and most interesting difference between American and German local government. Whereas the powers of the local governments in the United States are strictly limited, so that each enlargement or extension must be specially delegated, the condition in Germany is just the reverse—everything is permitted to the local governments which is not specially forbidden or which is not contrary to the law. So it is that the activities of the German local governments are, in principle, much more extended than those in the United States.

On the other hand, the German expert is surprised by the extent of municipal activities with respect to ordinary justice. The police are handled by German municipalities only by a delegation of powers from the state;

but the activities of police administration are more narrowly limited in America than in Germany.

I believe that the reasons for these differences arise from the difference of mental outlook, which is noticeable in all fields of administration, and which I want to describe in the following figure: Mother Germania takes care of her citizens like an anxious mother of her baby, but Uncle Sam takes care of his like a father of his adult son.

The question immediately arises, whether Germany should hand over to everybody the care of himself, in the American fashion (as in the lack of protection of railroad crossings), and slacken the "anxious care" of the state for the individual. It may be that the extension of duties and of care is unavoidable when population becomes dense, so that it is only a question of time until it will be as common in the United States as in Germany. The German expert must be astonished at the exceeding simplicity of American municipal administration in general, at the small number of members of the government in the smaller towns, as well as in big cities, and at the variety of forms of city government which obtain. The most interesting of these forms is the city manager plan, according to which one man is chosen by the council or commission to assume entire charge of the administration of the city's affairs and is given whatever power is necessary to enable him to achieve the required results. On the one hand, the plan is similar to the system of the paid mayor (Bürgermeister) in German municipalities; on the other hand, as was suggested by Judge Westphal, the traveling companion of the writer, it resembles the method of a joint stock company, in which the citizens are the stockholders, the council is a board of directors, and the city manager is the business manager. I think that the system is, in principle, very practical and adaptable to the growth and development of cities, especially because it makes it possible to avoid a weakness of the other plans in which administrative policies are easily influenced by the business interests of the councilmen.

A further noteworthy matter is the administration of the metropolitan areas or regions containing a large variety of local jurisdictions. The interesting point is that I have never heard complaints about it, although the variety of districts in each state presents a complicated network of overlapping jurisdictions, legislative and judicial—counties, cities, towns, villages, and a host of special districts for particular purposes which have often been formed with little reference to one another. It appears that the United States has in this way succeeded in overcoming the difficulties incident to the great extension of the country and the peculiar distribution of the population.

DALLAS JOINS RANKS OF MANAGER CITIES

BY LOUIS P. HEAD

Dallas, Texas

Success marks a three-year campaign of attrition. Usual ballyhoo of political contests conspicuous by its absence. :: :: :: ::

AFTER twenty-three years of mayor-commission government, Dallas on October 10 by a favorable vote of more than 2 to 1, adopted charter amendments providing for initiation of the council-city manager system on May 1, 1931, when terms of the present city officials expire. A council of nine members will be elected on the first Tuesday in April to succeed the mayor and four commissioners. This council will choose one of its own members as mayor and also will select a city manager. Dallas is the thirty-third Texas community to adopt the manager system, and is the fifth largest city in the United States to come under that form of government.

Victory for the charter changes came as the culmination of a long effort to secure greater efficiency in the city's administration, an effort bitterly resisted by the holders of city office and by most of the veteran politicians of the city. The campaign for the amendments was perhaps the most unusual of its kind ever waged, since it was devoid of all personalities and of the usual ballyhoo incident to political contests. Breaking down of the opposition was a process of attrition, which had its beginnings three years before the election.

NEWSPAPER ARTICLES GENERATE INTEREST

First discussion of the council-manager form of government in Dallas dates back a dozen years or more, when *The Dallas News* urged consideration of the plan as a way out of the morass of petty politics in which the city was embroiled every two years. Success of the plan in other Texas cities, including Amarillo, which adopted it in 1913, and later in Fort Worth, neighbor of Dallas, where it has been in effect for more than five years, lent color to the public thought on the subject in Dallas. The movement to secure submission of a new charter, embodying the council-manager plan, had its active inception three years ago, following publication by *The News* of a series of articles by the writer on "Measuring the Efficiency of a City's Government," in which the twenty-five criteria of Professor W. B. Munro were applied to the city administration, with a finding that the government was but 56 per cent efficient.

Discussion of these findings caused several of the groups for city office in 1927 to include pledges of submission of the necessary charter changes in their platforms. The successful candidates, running on what was called a nonpartisan ticket, offered such a pledge, but did not carry it out completely, due to submission of a bond issue of $23,900,000 for public improvements, which required charter amendments. Under the state law this automatically deferred a vote on the manager plan for two years from December 15, 1927.

However, Mayor R. E. Burt did take steps to redeem his preëlection pledge, and appointed first a citizens' committee to determine whether Dallas should adopt the council-manager plan, and later a charter commission to draft the necessary changes. This commission was named early in 1928, and after long study and labor by a subcommittee headed by the present writer reported a new charter in October, 1929. Meantime J. Waddy Tate had been elected mayor, and he, with each of the four commissioners, had given pledges to submit the charter to a vote of the people "before the end of 1929." The mayor's pledge was not identical with that of the commissioners, however, since it did not specifically commit him to the date of submission.

He took the attitude that while he was willing to sumit the charter changes, they should not be submitted at other than the next city election in 1931, or even later. The city attorney's department ruled that the charter commission had not been appointed legally, and that it had no power to draft a complete new charter, but could submit amendments in an advisory capacity, subject to the will of the mayor and commissioners to submit them to the people. The charter commission agreed to recast the charter in the form of amendments, the city's legal staff assisting in this work.

The city commission, over the mayor's opposing vote, then ordered an election for April 1, 1930. The mayor vetoed the election ordinance, deferring further consideration by the commission for six months. The commissioners first overrode his veto, and later, on a second veto, he was sustained by the vote of one commissioner, thus apparently postponing the issue indefinitely.

VOTE FORCED BY POPULAR PETITION

Meantime the Citizens' Charter Association had been organized to sponsor the amendments, and this group, under the leadership of Hugh S. Grady, Louis P. Head, Harry P. Lawther, G. M. Seay, Mrs. E. H. Server and Mrs. E. P. Turner, decided to force an election by initiative petition. The petition campaign was started immediately after the mayor's second veto had been sustained, and within a few weeks more than 9,000 voters had signed the demand for the election. Five thousand signatures, 10 per cent of the qualified list, were necessary. The charter association checked the names against poll lists, had them photostatted, and finally filed the petitions July 23, 1930, asking for the election as quickly as it could be held under the state law which the petitions invoked.

With the mayor yielding to the extent of voting for submission, the election was called for October 10.

SHORT ACTIVE CAMPAIGN

For more than two years preceding, charter proponents had been speaking on the subject to luncheon clubs, women's organizations and civic groups, and the sentiment thus created, coupled with resentment toward the mayor's opposition, provided the impetus for the start of the active campaign. This lasted but three weeks, with speakers recruited among the younger business men, young attorneys and from women's organizations. All of the daily newspapers supported the plan, and not one cent was spent for advertising with any of them. The charter association spent on the entire campaign, including the initiative petitions, but a little more than $10,000, contributed by interested citizens. Not a single downtown meeting was held; there were no "rallies." The story of the council-manager plan and of its advantages over the existing government was taken instead into neighborhoods, to small groups assembled at the homes of supporters, to workers in manufacturing plants, and into all of the larger stores, where employees could be assembled. At the last moment, on the eve of the election, the city legal department held that the charter association could not have supervisors at the polls. The workers selected as supervisors were switched to the task of getting voters to the polls.

Women workers telephoned every signer of the initiative petitions on election day, asking each to vote. It was necessary in each case to explain to the voter that the ballot, which contained the text of all the amendments, a sheet about three feet by four feet, must be marked in thirty-nine places. "Vote 'yes' thirty-nine times" was the charter slogan. So well was this fact impressed that in the larger precincts the variation between amendments was not more than five or ten votes out of several hundred. In some precincts, especially in the better residential areas, the vote for the charter ran as high as 18 or 20 to 1. In only eighteen of the sixty precincts were there majorities against, these being in industrial districts where Mayor Tate, the city "hot dog" executive, had his greatest strength.

AMENDMENTS COMPRISE VIRTUALLY A NEW CHARTER

While the changes actually were in the form of amendments to the existing charter, they comprise in truth a complete new charter, only the first five sections of the old instrument being retained, creating the municipal corporation, defining its general powers and establishing the boundaries. The charter as thus remodeled to become effective May 1 next provides, as outstanding changes:

For the election of a council of nine members, six of whom shall reside in certain specified districts, and three to represent the city at large. All citizens, wherever resident in Dallas, vote for each of the council candidates, who are to serve two years, upon election by majority vote.

That all candidates for council shall be nominated by petition of at least 300 voters, names to be placed on the ballot under place numbers from 1 to 9, in order determined by drawing, and without any party or group designation.

That the council shall elect one of its members as mayor. Members of the council (including the mayor) to receive as salary $20 per week for attendance upon one regular weekly meeting, with the maximum annual salary to be not more than $1,040.

That the council shall choose a city manager as head of administrative departments, and fix his salary, the manager to be subject to discharge at will of a majority of the council.

That the council also shall name the city attorney, city auditor, judge of the corporation court and supervisor of utilities.

That the city manager shall appoint all other department heads, who will be subject to removal by him for inefficiency.

That no member of the council shall dictate or interfere with appointments by the city manager.

That all city employees shall be placed under civil service, and that vacancies in city service shall be filled from an eligible list provided by a civil service commission, and without regard to political affiliations.

That employees in the city service for three months or longer at the time the amendments become effective shall not be required to take civil service examination, but shall hold their places subject to rules and regulations fixed by the civil service board. Any discharged employee may demand a public hearing before an established trial board.

That the city's fiscal year shall be changed to conform to its tax year, to aid in preventing operation on deficiency or overdraft basis. It is also provided that taxes may be paid in semi-annual installments instead of annually, as at present.

That all city expenditures shall be governed by budget, to be made up by the city manager and passed upon by the council not later than September 15 of each year, the fiscal year to start on October 1.

That no money can be spent except upon appropriation by the council, and that no overdrafts can be created for current operations, nor warrants issued for such purposes.

That the city's books shall be audited by independent auditors each year, the auditors being employed by and being directly responsible to the city council.

That the police and fire department pension fund shall be placed upon a sound actuarial basis within two years after amendments are adopted, and that a system of pensions for other employees shall be devised and submitted for consideration of the council.

That no city employee shall be employed or discharged for political or religious reasons, and that none may accept any gratuity or emolument from any utility corporation or any contractor doing business with the city.

That all city purchases shall be made through a purchasing agent, on competitive bids, with all amounts over $500 to be passed upon by the council, after advertising for bids thereon.

That all existing utility franchise provisions shall be retained without change.

That existing school system shall be retained without change.

That initiative, referendum and recall principles in present charter shall be retained.

CHARTER ORGANIZATION TO BE MAINTAINED

In a public statement, the morning after election, the Charter Association declared that the fight had been but half won, and that a council free of all political influences, must be elected in April. Later the association's committee of 100 decided to maintain the organization at least until after the first election of councilmen, to exert every possible influence to prevent the political groups from gaining control under the new plan.

As a result of the Dallas election, other large Texas cities are showing interest in the council-manager plan. Inquiries have been received from Houston, San Antonio, El Paso and Galveston, and from a number of smaller towns in the state. One of these, Jacksonville, is shortly to vote on a council-manager charter.

THE GRAFT SITUATION IN ATLANTA

BY ELÉONORE RAOUL

Atlanta cleans house. Ten persons have been tried, nine convicted, and others are still under indictment. :: :: :: :: ::

LAST November a member of Atlanta city council, apparently unconscious of the full import of what he was doing, asserted at a meeting of the city fathers that he had been told that it took $3,500 to get a wiring contract through council; whereupon one of the daily papers called upon the solicitor-general and the grand jury for action. Both accepted the challenge, and from that moment until the present time a most sensational investigation has been taking place.

As a matter of fact, the unexpected statement on the floor of council from one who had no intention of starting anything at all was only a spark which exploded a bomb undoubtedly due to burst sooner or later.

For years there has been talk of graft in the city government. Walter C. Taylor, the city clerk, who had held office for some nineteen years, was considered the center of most of the evil, but no one dared make any definite accusations against him. Probably the first public criticism of him was during the 1927 charter campaign, but a sensational weekly persistently and violently continued to attack him, as well as everything else political and otherwise. A factor not to be overlooked was the Atlanta League of Women Voters. For ten years the League had been turning the spotlight on the weaknesses in local government.

There is another important element in the situation which is not known to many people. Some months before the statement in council which stirred up the trouble, a few civicly-minded men gathered together a small sum of money and had a little investigating done on their own account. They secured the sympathy and coöperation of the solicitor-general and their work would, in all probability, eventually have brought about an investigation.

The last and a most important factor to be considered is that the solicitor-general, John A. Boykin, has been effective and persistent.

CRIMINAL CONVICTIONS SECURED

From November until March of this year the grand juries worked literally night and day. The second one ended its term the beginning of March, and it was at that time that the first indictments were announced, the policy having been to withhold all indictments until the end of the investigation. About twenty indictments were returned and more have followed since.

Walter C. Taylor, his friend Harry York, who is a member of council, and five other councilmen were among the twenty indicted. Three indictments were returned against Mr. Taylor; one contained eighteen bribery counts, another contained nine extortion counts and the last one count on fraud.

No time was lost in bringing the cases to trial. Before the end of March, Harry York was convicted, on five counts, of bribery, and other indictments are pending. His trial started on a Tuesday and by Saturday it was over. He was given a fine of $1,000 and one year on the chain gang. Others followed the same road, and received about the same sentences as a rule.

The most brilliant criminal lawyer in Atlanta defended Mr. Taylor. There was some delay in proceeding with his first trial. One judge disqualified himself and other interruptions occurred. Taylor's first trial lasted eleven days. The jury remained out twenty-five hours and returned a verdict of guilty on only one count. Mr. Taylor was given a fine of $1,000 and one year on the chain gang. Almost immediately the solicitor-general started an investigation on jury tampering which resulted in two convictions.

Mr. Taylor's second trial followed. It continued for three days. After four hours' deliberation the jury found for conviction and a sentence of $500 fine and one year on the chain gang was imposed. There are still other indictments outstanding against Mr. Taylor.

In all, thirty-seven indictments have been returned, of which fourteen are against members of city council, eleven against city employees, and five against ex officio holders or employees, leaving only seven against persons not connected officially with the city. Ten persons have been tried, all but one of whom have been convicted and the office of that one—the city purchasing agent—is again under investigation, this time by city council.

There has been continual talk about impeachment of council members but instead resignations of the councilmen indicted have been accepted. A movement for their recall was begun, but when most of them resigned the movement came to an end, although a few still remain in council.

Besides the investigation of the city officials, both the city and the county primaries came under fire. Much was made of an apparent technicality in the law, which it was claimed would prevent the grand jury from opening the ballot boxes, and the election investigation was largely balked. Nevertheless a few boxes were finally opened and found to be totally empty, with the result that the registration lists were purged of more than 30,000 names.

THE ROOT OF THE TROUBLE

One point seems to be clearly proved. It is that in the city council of Atlanta, Messrs. Taylor and York controlled a block of votes sufficiently large to pass any legislation they wanted. Many are inclined to jump at the wrong cause of the trouble and lay it to the appointment of the city clerk by council. They believe that he should be elected by the people. The real trouble, of course, lies in electing our council members by the ward plan, the absolute inertia of thinking citizens and the lack of altruistic leadership in the city.

The fundamental evil in the situation is that only 8,000 to 14,000 persons (this year it was raised to 17,500) usually vote in Atlanta. The League of Women Voters has estimated that city and county employees control about 10,000 votes.

Under this condition it is hard to persuade any person outside of the usual political element to run for office and it is next to impossible to convince those who do run to unite upon any worth while issue. Politics in Atlanta has been a little game played by a handful of men as their own private affair.

CITIZENS AROUSED

The investigation had been under way only a few weeks when a Citizens' Committee was announced. It held a number of public meetings and raised money to assist the solicitor's office. According to the solicitor, it was of considerable help. From this committee grew another organization, the 1930 Club, organized before the city primary (which in Georgia generally amounts to the election) for the purpose of placing good candidates in the field. Nothing concrete came of the movement, owing to the shortness of the time and the lack of political leadership. But, nevertheless, the organization of the club may have had a wholesome effect. At any rate, at the primary all those who had been indicted or were under suspicion were defeated.

A fact-finding committee has recently been organized to function temporarily. They have decided to put forward a county ticket in the general election instead of abiding by the primary which they believe was full of fraud. In fact, they claim there was no primary at all. This group promises to be more effective than any other which has functioned for some time.

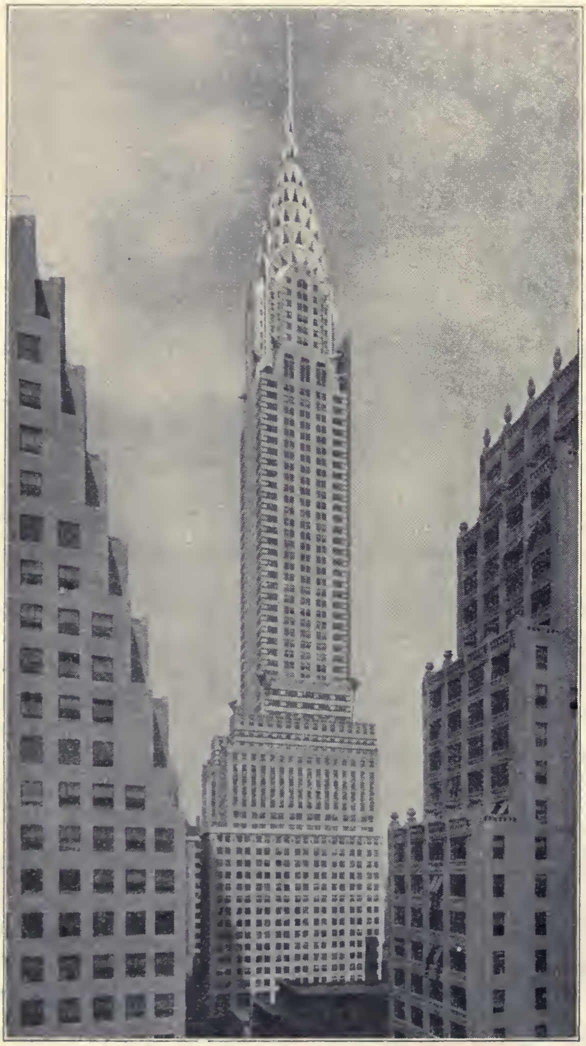
Certainly it is encouraging that the citizens, evidenced by the above mentioned activities, are arousing themselves from their inertia and stretching their minds, weakened in regard to political affairs by prolonged inactivity. We can only hope that the present interest will be maintained and that something of real importance will be accomplished in time.

We believe that conditions are no worse in Atlanta than in many other cities, but that we have met and are dealing with our problems in a courageous manner which should draw admiration from onlookers outside of the city, rather than condemnation for the graft situation.

NEW YORK CITY ZONING LAW MAKES THE SKYSCRAPER A THING OF BEAUTY

BY JOSEPH P. DAY

A famous realtor backs zoning in New York.



New York Times Studio

Chrysler Building Framed by Zoning Setbacks

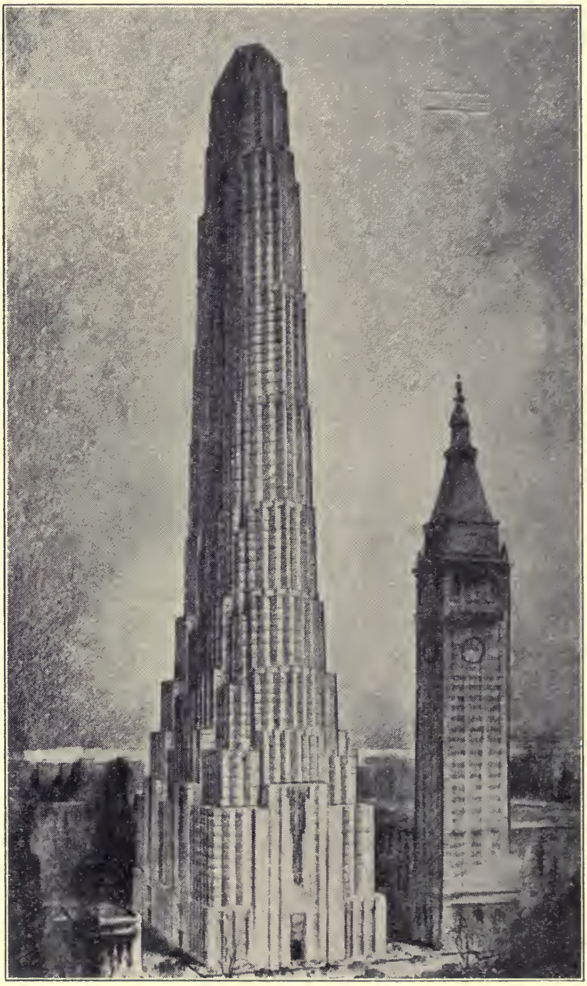
European experts have declared that these uncivilized United States have made two original contributions to the world of art; one is jazz music, the other is modern skyscraper architecture. I don't know who should get credit for the development of jazz, but the New York city board of estimate and apportionment, in passing the building zone resolution on July 25, 1916, brought into being the other new art form—the modern city tower. At that time probably no one foresaw the artistic potentialities of recessed stories and towers, which have made the tall city building as distinctive an architectural type as the Gothic cathedrals of medieval Europe.

ZONING ORDINANCE WISE AND REASONABLE

New York was the first American city to adopt a zoning ordinance. It would be natural to assume that such a unique plan, with no precedents for guidance, would turn out to be crude and limited under the test of time and experience. The opposite has been the case. The zoning ordinance has proved to be wise and reasonable from the very start. It has been of incalculable benefit to real estate values in New York City, to say nothing of the structural beauties which it has called forth from the drafting boards of our architects. That the ordinance has stood the test of time so well has been due to the fact that it contained no unreasonable restrictions in the first place, and that it is flexible. It provides for a board of appeals with power to change the ordinance with reference to a particular site or locality, and it also gives the board of estimate power to make prompt amendments on the zoning map; such changes are made at almost every meeting of the board.

The ordinance provides for three different classes of districts in the city. These are "use" districts, "height" districts and "area" districts. The use districts are of three kinds—residence, business and unrestricted. There are five area districts, in which a certain amount of free area is prescribed for yards and courts in proportion to the height of the building on a property. There are four height districts, and it is this section of the ordinance which has created the skyscraper and made New York, in my opinion, the most beautiful city in the world. It should be part of the education of every citizen of New York City to be familiar with the general provisions of this section.

Briefly, the terms as to height districts are as follows: In the Wall Street section, for example, a building may be erected to a height not to exceed 2½ times the width of the street. Then for each foot the walls are set back, 5 feet may be added to the height of the building. This district is known as the "2½ times" district. The other three height districts are designated as "2 times," "1½ times" and "1 times." Provisions for each district are similar to the one I have just described. In the "1 times" district, for example, the building may be erected to a height equal to the width of the street and then for each foot setback, 2 feet may be added to the height limit. These provisions have proved satisfactory in practice.



Wide World Photos

Proposed 100-Story Tower of Metropolitan Life Insurance Company

ARCHITECTS DEVELOP NEW BEAUTIES

When the ordinance was written, it wisely made no attempt to alter existing structures, but as old buildings are torn down they must be replaced by ones which obey the ordinance. "Necessity is the mother of invention" and our architects, following the requirements of the zoning law, proceeded to develop a type of architecture which will go down in history as an enduring monument to the men of vision who created the New York City zoning law.

I have emphasized only one result of the zoning ordinance, and that one more or less a by-product. The main purpose of the law, to provide logically for the growth of the city and to protect property values, has been so admirably fulfilled that we simply take it for granted. The best way to estimate this is to try to imagine New York City without any zoning. The confusion and instability that would exist would be beyond belief.

LONDON'S PROGRESS IN SLUM ABATEMENT

I. THE GOVERNMENTAL AND ECONOMIC BACKGROUNDS

BY E. M. DENCE

Chairman, Housing Committee, London County Council

London's radical attack upon the slum evil may have a lesson for Americans who have been experimenting with milder palliatives. ::

The measures which are being adopted towards abatement of slums in London will be more readily understood by a brief survey of the system of London municipal government in the region of the metropolis and in the suburban area which surrounds it.

GREATER LONDON'S GOVERNMENT

Greater London has an area of 1,846 square miles and a population approaching eight millions. This area includes (a) the Administrative County of London so constituted by Parliament in 1888, and (b) the territory outside the county known as Extra-London.

The county of London has an area of 117 square miles and a population of about 4½ millions. The municipal government of this area is intrusted to thirty authorities consisting of:

The London County Council
The City of London Corporation, and
28 Metropolitan Borough Councils

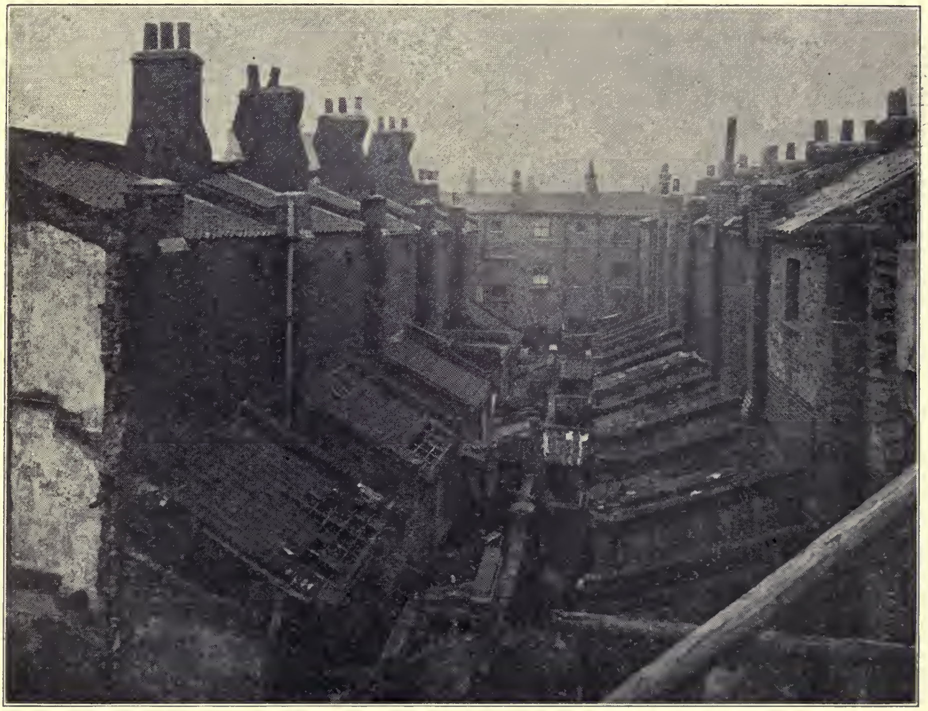
The County of London forms the core of Greater London and contains the greatest mass of population and buildings.

Extra-London is served by about 90 municipal authorities as follows:

Three County Boroughs
Twelve Municipal Boroughs
Fifty-nine Urban District Councils
Ten Rural District Councils

This suburban territory covers portions of the five counties of Essex, Hertfordshire, Kent, Middlesex and Surrey. These five counties with their respective county councils have close municipal relationships with the aforesaid municipal authorities of the outer region. The number of elected and coöpted public representatives serving on all these authorities is about 4,050.

All these authorities possess statutory powers for providing new housing accommodation. But as regards slum abatement and reconditioning of houses, Parliament has differentiated in the duties to be carried out by the respective municipal bodies.



Bell Lane Area before Slum Clearance

SLUM ABATEMENT POWERS OF COUNTY COUNCIL

In the case of the county of London, the London County Council possesses wide powers for slum abatement within every part of the county and for providing new housing accommodation within its area and in the region of Extra-London. The metropolitan borough councils also possess powers to clear slums and to provide new housing accommodation but their activities are limited to their respective localities. Since, however, there is now no suitable vacant land in the majority of the borough council areas, it falls to the London County Council to take what action is necessary in the matter of providing new houses to meet the demand.

The slums are mainly confined to the inner London boroughs and some excellent work in slum abatement has been performed by some of the borough councils. It is generally accepted, however, that the London County Council is the proper authority for dealing with any extensive clearance areas in the county of London.

The duty of reconditioning houses is confined to the borough councils and but for the important work those councils have been doing in maintaining the standard of sanitation and cleanliness there would have been a much greater extention of slums in the county area.

THE ORIGIN AND GROWTH OF SLUMS IN LONDON

Old as is the history of London, manifest even now by some of its streets and buildings, it is noteworthy that its most rapid expansion both in area and population has taken place since the year 1801. In that year the population of the area equivalent to the present county of London was 959,000, while that of the surrounding region equivalent to what we now call Extra-London was only 155,000. The most rapid growth occurred during the six decennial census periods from 1861–1911 when the average increase of population in the Greater London area for each ten year period was about 760,000, or a total increase of about four and a half millions. It is important to observe that whereas the increase of population in Greater London during the period was rapid, the population in the area within the county of London increased less rapidly and came to a standstill about the year 1901. The population of the county has actually shown a small decrease since 1901, the explanation of this being that the area of the county is in the main fully developed. There remain a few square miles of undeveloped land in the southeast corner of the county, but a considerable portion of this is now town-planned as a green belt or lung: building may extend beyond this open space but it can only cover that portion of it which is earmarked for residential purposes.

In the central parts of the metropolis, industry has for a long time been steadily encroaching on residential property. Of the displaced population the poorer sections are obliged by force of circumstances to move into the already overcrowded areas of the county. For nearly thirty years the natural increase of population together with the pressure exerted by industry has obliged large numbers of people to overflow from the county area into the suburban districts of Extra-London.

The average density of population over the 117 square miles of the county is sixty per acre but after allowing for parks and other nonresidential areas the density assumes a higher value. In eight of the metropolitan boroughs the density is over 100 per acre and in three it exceeds 150. The greatest density is in Southwark, with 163 per acre. Densities as high as 400 per acre still obtain in certain parts of the more crowded London boroughs.

CHARACTERISTICS OF SLUMS

In speaking of slum abatement it is well to be clear upon the meaning of the word slum. The dictionaries offer little help, but since there are few great cities which are free from the shame of harboring them we cannot plead ignorance as to their characteristics and origin. There are two main contributory factors which go to make up the slums of London:

1. Insanitary property, for which there is no remedy but demolition.
2. Overcrowding in houses which but for that circumstance might, when suitably reconditioned and thinned of population, provide decent family accommodation.

Overcrowding as such is probably more harmful, physically and mentally, than the evils arising from old and insanitary houses.

Attention was first prominently brought to bear on the slums of London by the Earl of Shaftesbury, who in the year 1846 left his country seat and spent some years visiting the London slums and acquainting himself with the manner of life of the people who lived therein. As a result of his experience he successfully introduced legislation about the year 1855. Since that time many Acts of Parliament have been framed to deal with the problem. The present housing legislation makes provision for five distinct housing operations which are:

1. The provision of new housing accommodation.
2. The clearance of unhealthy areas.
3. The improvement of areas where the houses can be benefited by the demolition of offending structures, the opening out of the area and the reconditioning of other properties.
4. Reconditioning of existing insanitary houses.
5. Reconditioning or rebuilding of agricultural dwellings.

Wormholt Estate, a Suburban Development of the London County Council

THE NEW HOUSING ACT

A new housing act has just passed into law, the main object of which is to accelerate the work of slum clearance by offering more generous terms of subvention to local authorities and by removing certain hindrances, legal and otherwise, which have hitherto tended to slow down this important work.

In the new act slums are called "clearance areas" and it may be well to quote the words in Section 1 which provide the definition of a clearance area:

> Where a local authority . . . are satisfied . . . that the dwelling houses in that area are by

> reason of disrepair or sanitary defects unfit for human habitation, or are by reason of their bad arrangement, or the narrowness or bad arrangement of the streets dangerous or injurious to the health of the inhabitant . . . the authority shall pass a resolution declaring the area so defined to be a clearance area; that is to say, an area to be cleared of all buildings. . . .

Slums, *i.e.*, insanitary properties, are a heritage of the days when town planning and zoning were undreamed of and when building by-laws were framed to suit the lower standards and conditions prevailing at the time. Due to the discovery of steam power and to the attractive wages offered in factories, there was a great influx of people from the countryside into the towns, followed by a demand for dwelling accommodation, which builders were not behindhand in supplying.

Many of the cottages and workmen's dwellings, which were erected from sixty to a hundred years ago, were doubtless quite decent houses at the time they were built. They were generally designed for single family occupation with from four to six rooms. With, however, inadequate foundations, absence of damp course, flimsy lath and plaster partitions, and with materials and workmanship often of an inferior character, it was inevitable that their useful life would be short. Before many years had elapsed conditions arose which tended to convert what were by no means substantial buildings into insanitary and overcrowded ones; continually changing hands as regards ownership, they began to be neglected and to fall into disrepair. In those days public health by-laws were practically nonexistent, and no duty of cleansing and reconditioning was laid on the owners by public authorities as is required today.

These circumstances reduced the rent value, and hence the market value, of the houses. Houses, owners and tenants fell on bad times. In some cases where rows of cottages possessed open land and gardens at the rear, the owners seized the chance to turn the land into money; sometimes gardens were sacrificed for building another row of cottages, or, again, an open space round which cottages had been grouped would be sold for the erection of a factory. This last disaster has happened in numerous cases with the result that what were once purely residential areas have become invaded by industry, and a further obstacle has thus been placed in the way of public authority in their efforts towards improvement and redevelopment.

The other manifestation of slums, namely, insanitary conditions which are caused by overcrowding, are no doubt to be found in most great cities. Circumstances occur which profoundly affect the fortunes and reputation of a flourishing residential district. The well-to-do classes move away, houses are left vacant and in process of time the district "has lost the immortal part of itself and what remains is bestial."

THE SOLUTION OF THE SLUM PROBLEM

The successful solution of the slum problem depends above all other conditions on the availability of dwelling accommodation into which the people may be moved. In taking stock of the situation after the war it was felt that it would be useless to make any serious attack on the London slums until we had gone a considerable way along the road to meet the pressing demand for houses. A few words are, therefore, necessary to show the present position of housing accommodation in London.

Some thorough investigations have been made to reveal the magnitude and causes of overcrowding and to formulate estimates of the number of houses required over a period of years to catch up with the existing shortage and to provide for the natural increase and migratory movements of population. A complete account of these researches cannot be attempted in this article and it is sufficient to give the figures of overcrowding for the two census periods ending 1911 and 1921, and the figures of houses required as a result of the researches referred to.

OVERCROWDING IN DWELLINGS OF ONE TO FOUR ROOMS

Living more than	1911	1921	Increase (+) or decrease (−)	
	Persons	Persons	Persons	Ratio per cent
2 persons per room	758,786	683,498	−75,288	−9.9
3 " " "	173,637	147,591	−26,046	−15.0
4 " " "	38,346	30,909	−7,442	−19.4
5 " " "	8,903	6,711	−2,192	−24.6
6 " " "	2,349	1,968	−381	−16.2
7 and up to 12 per room	800	1,630	830	170.1

For the census of 1891 the number living more than two persons per room was 831,666, *i.e.*, about 150,000 more than for the year 1921.

ESTIMATED ANNUAL REQUIREMENT IN THE COUNTY OF LONDON (FOR TEN YEARS) OF WORKING-CLASS HOUSES

1. *To meet normal growth* For Greater London 12,500. The County of London's share on a population basis of, say, 60%	7,500
2. *To make good shortage and provide a small margin* For Greater London 6,000. The County of London's share	3,600
3. *For clearance of Insanitary Areas*	500
4. *To abate overcrowding* (more than 2 persons per room) For Greater London 2,000. The County of London's contribution	1,000
	12,600

From 1920 to the end of 1929 the local authorities of Greater London built a total number of 78,634 houses, of which the London County Council was responsible for 36,989, the metropolitan boroughs and the city corporation for 11,009 and the Extra-London authorities for 30,636. The large majority of these houses have been built outside the county boundary. It may be mentioned that most of these houses have been built for letting, very few having been sold to the occupiers. It is also important to observe that applicants for tenancies of the County Council houses must among other conditions satisfy the authority that they are bona fide residents in the county of London.

CHANGE SINCE 1909—OWNER OCCUPIERS

In the years before the war it was to private enterprise that we looked for a supply of working-class houses. Without going into the causes it will suffice to say that the building industry ceased to erect working-class houses about the year 1909. The fundamental reason was no doubt due to the fact that it was uneconomic to build this class of property. During the war, and in 1920, laws were passed restricting the rents of houses, and the rate of interest on, and the calling-in of mortgages, while owners were allowed to charge up to 40 per cent increase on the rent prevailing in the locality on the 3rd of August, 1914, *i.e.*, the day before the outbreak of war.

It may be said that a great change has taken place in the practice of renting and owning houses since about 1909. At that time there was no difficulty whatever in securing a house for occupation without the necessity of buying it. In fact, house property, apart from occupation, was a fairly universal investment. The change was largely brought about by the improved facilities offered by local authorities, building and other loan societies for borrowing up to 90 per cent of the value of a house at an interest of 5 per cent to 6 per cent, the terms of repayment varying from ten to twenty years. Due to these facilities there has sprung up a new investing public, the owner occupiers.

During the ten years to the end of 1929, apart from the large number of houses built by public authorities already referred to, no less than 164,982 houses were built by private enterprise in Greater London. This output is more than double that of all the local authorities in the same period. If the two figures are added together we have a total of 243,616 houses provided in Greater London since the war, or accommodation for considerably over one million people. Until there is satisfactory evidence that the demand has been met the local authorities will undoubtedly continue to build. There are indications that houses have been found for the skilled artisan and better paid working classes, but the most serious part of the problem, that of providing accommodation for the poorest classes who cannot afford to pay the rents of even the smallest houses provided by local authorities, still needs to be solved.

(*To be continued*)

MUNICIPAL GOVERNMENT IN CHINA

BY RAY CHANG

Secretary to the Mayor, City of Tientsin

Although torn by revolution, China still finds time to devote to improvements in municipal government. Problems of administration and city planning are receiving attention. Mr. Chang has studied at Michigan, Columbia, Harvard and Syracuse Universities and at the National Institute of Public Administration. :: :: :: ::

MUNICIPAL government is not a new thing in China. In fact, it can be traced as far back as the Chou dynasty (1100–249 B.C.). No systematic work about the actual doings of the various local governments in the past days has ever been written, however. Fragmentary information can be found in books like *Li Chi* and *Chou Li*. Functions like city planning, poor relief, collective fire fighting, public education, regulation of buildings, zoning by area, etc., can more or less be detected from the ancient classics. The modern sewerage system, to our surprise, has had its early beginning in China in the Han dynasty (208 B.C.) and later was copied by the Tartars.[1] Since the fall of Chou, other phases of municipal administration gave way to the sole purpose of maintaining peace and order in the walled city. In the South Sung dynasty (1127–1278 A.D.), municipal functions seemed to multiply and regained some of the ancient splendor. The *Travels of Marco Polo* furnished us some vivid glimpses of Hangchow, then the national capital. But this revival of interest toward municipal affairs did not last long. Municipal government in China has made very little progress since then.

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[1] Wang Kuo-wei: *Kwung Tang Chi Ling*, vol. 13.

From the above mentioned facts, we may say that municipal institutions in China have had a long history. However, the western sense of local self-government and the modern technique of municipal administration have only had a very recent origin in this country. The first government act about local self-government was not published until 1908. Since the Republic, several municipal acts have been promulgated, four of which deserve special mention.

THE COMMISSION FORM OF GOVERNMENT AT CANTON

Although somewhat behind Hunan and Chekiang in constitution making, Kwangtung is the first province which has tried to compromise the abominable system of provincial military dictatorship with the practice of local self-government. The municipal charter for Canton was proclaimed in September, 1920.[1] On February 15, 1921, it was actually applied to Canton, one of the four biggest cities in China, when a municipal government was instituted on a modern scale with an American-trained student as the mayor.[2] Presumably the Canton charter is modeled after the commission form of city government in the United States. But a close examination will reveal their differences. The complete governmental machinery of Canton is composed of an advisory council of thirty members, a commission headed by the mayor and assisted by six department heads, and a comptroller. The mayor, the comptroller, as well as ten of the councilmen, are appointed by the governor, but it is provided they shall become elective in the future. The functions of the advisory council are to suggest new laws and to advise on their carrying out. There are thirty councilmen on the board, ten appointed, ten elected directly by the people, and the other ten elected by professional groups. The six departments under the mayor are: Finance, education, public works, public safety, public health, and public utilities. All department heads are appointed by the governor on the recommendation of the mayor. The position of comptroller is open only to those who have had expert training in bookkeeping and accounting. His duty is to check up and audit all the city accounts and to prepare the financial, as well as the other, reports. The Canton charter does not compare favorably with some other city charters in China, but it works well. It gives Canton a place in the history of modern Chinese municipal government because the mayor and the department heads are acquainted with the modern trend of municipal administration. They know their jobs better than the old mandarinates.

THE MUNICIPAL CODE OF 1921

On July 3, 1921, the Peking government promulgated the municipal code prepared by the ministry of interior for all the cities in China. The form of city government adopted in this act is very much like the French type. Cities are divided into two classes, the municipality and the special municipality; the latter can only be established by the president on the recommendation of the minister of interior. As in the continent, central control of cities is in the form of rather strict administrative supervision. The municipality is supervised by the *Hsien* government, while the special municipality is under the supervision of the provincial authorities. The city council is elected by popular vote. The mayor is elected by the council, but his election must be concurred by the central authority. This code is quite sensible, but unfortunately it has never been put into practice.

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[1] Philip Haddon: "The Government of South China," *China Review* (a monthly published by China Trade Bureau, New York), Sept., 1921, p. 137. For a full text of the charter, see S. Y. Wu: "Canton Municipal Progress," *The Weekly Review of the Far East*, vol. xix, No. 1, p. 9–10.

[2] Sun Fo, son of the late Sun Yat-sen, was appointed the first mayor of Canton. He received his training in modern municipal government under Prof T. H. Reed, then at University of California.

NATIONALIST GOVERNMENT CODE OF 1928

After the Nationalist Revolution and the shift of national capital from Peking to Nanking, the Nationalist Government proclaimed a municipal code for the whole country on July 3, 1928. It begins by defining a city. Any urban district having a population of more than two hundred thousand may acquire the legal status of a municipality by special grant of the Nationalist Government on the recommendation of the provincial authority. Any municipality may acquire the title of special municipality by special grant of the central government on any one of the following grounds: (1) the national capital; (2) a population of over one million; (3) city of special importance. The special municipality is under the direct control of the Nationalist Government, while the municipality is supervised by the provincial government. With certain limitations, the cities are assigned the following sources of revenue:

1. Land tax.
2. Land increment tax.
3. Tax on buildings.
4. Business tax.
5. License.
6. Harbor tax.
7. Advertisement tax.
8. Earnings of public property.
9. Earnings of public enterprises.
10. Other revenue by special grant.

Municipal loans cannot be contracted unless duly approved by the central government. The general appearance of this code is not quite democratic. The mayor is appointed by the supervising authority, so are the departmental heads. There are provisions for an advisory council to be sure, but its powers are quite negligible.

THE NEW MUNICIPAL ACT OF 1930

Training for local self-government was not given much attention in the code of 1928. The new act of 1930 is devised purposely to remedy this defect. It was prepared by the Legislative Yuen and was duly promulgated in June of this year. Under the new act, cities are classified as class one and class two cities and the title special municipality abolished. Each city is subdivided into the following self-governing units: *district*, *precinct*, *sub-precinct*, and *neighborhood*. Every group of five houses is called a neighborhood; every five neighborhoods, a sub-precinct; every twenty sub-precincts, a precinct; while a district is composed of ten precincts. All municipal functions are given by enumeration to the city government which consists of the mayor, the administrative board, and the advisory council. The mayor is appointed by the supervising authority. Under him, there are four departments: Social welfare, public safety, finance, and public works. In case of necessity and with the concurrence of the higher authority, the following departments may also be established: Education, public health, land, public utilities, and harbor. Cities situated in the national capital or in provincial capitals cannot have a department of public safety, the functions of maintaining peace and order being left to the respective police organizations under central or provincial control. The administrative council is composed of the mayor, his adjoints, and the various department heads. The only popularly-elected body in the city government is the advisory council. Councilmen are elected by legitimate voters for a term of three years, while one-third of the members retire every year. The advisory council has two regular sessions each year. Special sessions may be called by the chairman of his own accord or by request of one-fifth of the members. Matters of importance must be first considered by the council before final action is taken. Probably the most interesting feature of the new act is the provision for the various self-governing units. Each unit is provided with a general assembly, a representative council and a supervisory council. In the districts and precincts, executive organs for handling strictly local affairs are also provided. These provisions prove to be a novelty in the history of Chinese municipal code making. They mark the effort of the Chinese people to make local self-government not only a name but also a fact.

MODERN CITY PLANNING IN CHINA

As soon as the Nationalist Government was established at Nanking, civic pride urged the responsible officials to "put Nanking on the map." Nanking is an old city, but it has every potentiality of becoming a beautiful capital for a twentieth-century Republic. The first thing to do, therefore, was to begin comprehensive replanning. Old city planning methods do not fit in with a modern city. Two American experts, Goodrich and Murphy, were appointed as technical advisers to this gigantic undertaking. With the coöperation of a staff of Chinese and foreigners, the Nanking city planning commission submitted its proposals to the Nationalist Government after one year's thorough study. The plan drawn up has been received with favorable comments elsewhere. The expense required to carry out the plan is roughly estimated at 51,800,000 Chinese dollars (about 25,000,000 dollars, U. S. currency) within the first six years of reconstruction.[1] The Nanking plan was completed last December.

Early in the spring of 1930, an open competitive contest for a best Tientsin[2] plan was sponsored by the local government authority. This contest was entered by a number of Chinese and foreigners as well. The result of the contest was announced recently and the first prize was won by two Chinese working together.[3] This plan, although hurriedly drawn up within a period of three months, is no less elaborate than the Nanking plan. The comprehensiveness of the plan can be seen through its chapter headings: (1) Fundamentals of Material Construction; (2) The Problem of Administrative Area; (3) Planning for Road System; (4) Pavement; (5) Standardized Pavement Specifications; (6) Street Planing; (7) Street Lighting and

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[1] *City Plan for Nanking*, p. 180.

[2] Tientsin is the most prosperous city in North China, with a population of one million, and is ranked as one of the "Big Four."

[3] The plan is drawn up by Ssu-cheng Liang in coöperation with the present author. It is supposed to be the first piece of modern city planning work done by Chinese.

Wiring; (8) Sewerage Construction and Garbage Disposal; (9) Hexagonal Planning; (10) Waterfront Improvements; (11) Public Buildings; (12) Park System; (13) Airport for Tientsin; (14) Regulation of Public Utilities; (15) Water Supply; (16) Trolleys; (17) Public Bus Lines; (18) Zoning Plan; (19) Zoning Ordinances for Tientsin; (20) City Planning Ordinances: Organization of City Planning Commission, Its Powers, Excess Condemnation; (21) Financial Planning; (22) Special Assessment; (23) Public Debt Policy; (24) Improvement of Present Tax System; (25) Conclusion.

TRAINING SCHOOL FOR MUNICIPAL OFFICERS

In recognition of the importance of special preparation for municipal service, Tientsin established in 1930 a Training School for Municipal Officers. The courses of study embrace comparative municipal institutions, various aspects of modern municipal administration, government accounting and reporting, bookkeeping, vital statistics, and related subjects. They are open only to the selected municipal employees and some of the representatives from local self-governing organs. The instruction is given by professors from the universities and experienced officers in the city government.

CONCLUSION

From the standpoint of material comfort, modern technique of administration, and spirit of local self-government, the Chinese cities of today are still not far from Macaulay's London or Penn's Philadelphia. The backwardness of the Chinese city compared with modern American and European cities is a fact which cannot be denied. Besides civil war, the chief cause, there are several other reasons which are responsible for the situation. First, the modern city is a product of agricultural and industrial revolution, both of which are just beginning in China. Second, the modern democratic form of government is a new thing for the Chinese people. The training of the people to practice local self-government will require years of experience. However, to say the Chinese people are incapable of organizing a modern democratic state is quite absurd. As Professor A. N. Holcombe has rightly said: "The Chinese formerly possessed the requisite political capacity for successfully operating the institutions of the scholastic empire. They presumably still possess the capacity to operate with success the institutions of a 'five power' republic. Despite the quarrels of the militarists, therefore, the outlook for the rehabilitation of China, if one does not take too short a view of the political scene, is favorable."[1] Thirdly, the technique of modern municipal administration is lacking in China. Most of the men holding responsible positions in the city governments are still old-timers on the Chinese political stage. The technique of modern public administration they do not understand and they are not trying to understand. Naturally they cannot run the government on an economical and efficient basis. In the meantime, students who have just received their diplomas from Chinese or foreign universities cannot do the job successfully even if they had the chance. The reason is quite simple: foreign experiences cannot fit in exactly with local conditions. The organization of research institutions to inquire into Chinese municipal government problems and to evolve means for remedy is highly essential.

To recapitulate, the fundamental steps to improve Chinese municipal institutions are three in number. First, stop civil war and encourage agricultural and industrial developments. Second, educate the public for local self-government. And lastly, organize research institutes for studying Chinese municipal government and administrative problems so as to devise the right means of remedy and to produce real and competent experts for Chinese municipal administration.

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[1] A. N. Holcombe: *The Chinese Revolution*, Harvard Press, 1930, p. 330.

Some will say it is not at all timely to talk about improvement of Chinese municipal institutions during the present civil war turmoil. In fact, this is just the right time to do so. American experience supports this position. Before and during the civil war period in the United States, very little attention was paid to the improvement of American municipal system. After the war, the government machinery could not keep pace with the increased municipal functions. The Chinese people appreciate this historical truth and are trying to grapple with the difficulties confronting them.

WHAT HOOVER DAM MEANS TO MUNICIPALITIES OF SOUTHERN CALIFORNIA

BY THOMAS F. FORD

Department of Water and Power, Los Angeles

Boulder Dam (now the Hoover Dam) is a public ownership project which must pay its way. Promise of rosy future for the Southwest.

Advocates of municipal ownership registered one more triumph in the signing by President Hoover of the second deficiency bill, carrying $10,660,000 for the beginning of work on the Boulder Dam, now Hoover Dam, project. For it is a fact, testified to in open meeting by Secretary of the Interior, Ray Lyman Wilbur, that had it not been for the financial stability and efficient standards of operation of the Bureau of Power and Light of Los Angeles, a city-owned electric utility, Congress would not have made the appropriation for the construction of the Boulder Dam on the Colorado River.

It is an indisputable fact that while for years Congress has been fully conversant with the needs of Southern California, and entirely familiar with the tremendous handicap under which it suffered by reason of the rapid diminution of its water supplies, and also of the menace that each year the uncurbed Colorado River held, these considerations, important as they are, were not sufficiently potent to induce Congress to invest $165,000,000 in the Boulder Dam project at this time, if ever.

EXAMPLE OF LOS ANGELES BUREAU OF POWER AND LIGHT

Lest there be some question as to the validity of this assertion, let me quote the carefully reasoned and unqualified statement of the secretary of the interior. This highly important utterance was made at the Biltmore Hotel, Los Angeles, July 29, at a get-together meeting of the representatives of all the chambers of commerce of Southern California, for the purpose of celebrating the population gains of that region as indicated by the 1930 census and also the beginning of work on the Boulder Dam project.

In telling his hearers of the difficult task which he, as secretary of the interior, faced in his efforts to harmonize the differences of the various interests, and of the difficulty of convincing Congress that the vast expenditure of funds, necessary for the carrying out of the project, would be returned to the Treasury with interest within the fifty-year period provided for in the Boulder Dam Act, he made the following significant statement:

> "If you had not built up your municipal Bureau of Power and Light . . . the Boulder Dam appropriation would not have been passed. Congress did not have confidence in the city as to a contract running fifty years.
>
> "Congress did have confidence in the Bureau, a going concern with sound resources, a surplus built up for emergencies, and substantial annual net profits." Continuing, the secretary paid a tribute to E. F. Scattergood, chief electrical engineer and general manager of the Bureau of Power and Light, and W. B. Mathews, for years special counsel for the Bureau, when he added: "You have to thank Mr. Scattergood and Mr. Mathews for what they have done with this municipal enterprise. When I first came into office as secretary of the interior, I know, they taught me a lesson concerning it which I have not forgotten."

Under the provisions of the Boulder Dam Act the United States Government will construct a dam at Black Canyon on the Colorado River, 580 feet in height. At the foot of this dam a power plant will be erected, equipped with turbines, generators and other necessary machinery, capable of producing 650,000 horsepower of firm or continuous power.

The development of power in connection with Boulder Dam rests primarily on three important considerations:

First, the supplying of large blocks of cheap power for industrial purposes.

Second, for the lifting of the 1,500 second feet of water for domestic and irrigation purposes over the intervening mountain ranges and making it available on the Coastal Plain.

Third, the sale of this power is the only feasible means of financing this project and insuring the government of a return of its investment in the dam and the power plant.

THE DAM MUST PAY ITS WAY

The Boulder Dam Act requires that the secretary of the interior have, duly signed and in his hands, sound contracts, unquestioned as to their legality and enforceability, before work is started on the project. These contracts must, in addition to being sound, be of such a character as to insure, from the sale of power, sufficient revenue to repay the government, within a period of fifty years, its total investment in the project, together with all interest, all depreciation and all operating expenses.

For the purpose of meeting these requirements the secretary of the interior has fixed the price of firm power at 1.63 mills per kilowatt-hour.

The revenues derived on a basis of this rate of 1.63 mills per kilowatt-hour will, the engineers and accountants estimate, produce sufficient revenue, together with revenues from domestic water, to pay all operating charges and depreciation on the dam and power plant building and repay to the government within the period of fifty years its entire investment in the dam and power plant building with interest, including enough surplus, although not required by the Act, to pay all interest and amortization charges on the $25,000,000 allotted for flood control in the Act, and a yearly sum equal to $750,000 to be paid to Arizona, and an annual allowance of 10 per cent of the total sum of these items for contingencies.

ALLOCATING THE POWER

Once the rate which the government was to demand for the power was fixed, the next step toward the beginning of the Boulder Dam project was the allocating of the power.

Early in March, 1930, the secretary of the interior allocated 36 per cent of the firm power to be developed at Boulder Dam to Arizona and Nevada and 64 per cent to California for reallocation upon agreement between the interests involved.

On March 20, at a joint meeting of the Board of Water and Power Commissioners, the Metropolitan Water District and the Southern California Edison Company, California's share of the power from the dam was apportioned as follows:

The Metropolitan Water District	36%
The City of Los Angeles	13%
The smaller cities in the District	6%
The Southern California Edison Company	9%
Total	64%

This agreement was signed by the Metropolitan Water District, the Board of Water and Power Commissioners, and the Southern California Edison Company.

The resolution, which was joint in its effect as to the parties mentioned above, carried a recommendation to the secretary of the interior to the effect that the Metropolitan Water District be given first call on all unused firm power and all unused secondary power up to their total requirements for pumping into and in the aqueduct; that any unused power of the smaller municipalities be allocated to Los Angeles, and that any remaining unused firm power or unused secondary power be divided on a basis of one-half to the city of Los Angeles and one-half to the Southern California Edison Company.

VAST DEVELOPMENT PROMISED

Boulder Dam, with the vast volume of electrical energy that it promises to release, will cause such an era of development in Los Angeles and the entire Coastal Plain as has never before been witnessed.

Careful studies, covering every phase of the subject, made by the Bureau of Power and Light of Los Angeles, reveal that the release of power from Boulder Dam to the Metropolitan industrial district will bring about an increase in the volume of manufacturing alone amounting to a sum in excess of $2,000,000,000, while the increase in the assessed valuation of property will mount to the staggering sum of $8,000,000,000.

In a semi-arid region like the Southwest, it is readily seen that water and power are interdependent and inseparable. This interdependence is brought into bold relief when it is realized that the whole structure of the Boulder Dam project is absolutely dependent on power. Power from the dam pays the whole cost, not only of the dam itself, but of the plant and machinery for its development and of the carrying charges for the storing of the water that is to achieve flood control. It is to the power production at the dam that the United States Government looks for reimbursement for its investment of the $165,000,000. It must further be remembered that were it not for the low rate at which this power can be produced, the cost of lifting the Colorado River water over the intervening mountain ranges would be too great to make the project feasible. It is, therefore, evident that power is as important as water, and must, if the benefits which the Boulder Dam project offers are to be realized, be given the same measure of effective support.

The low-priced power that will be available from Boulder Dam will be the magnet that will attract the nation's great industrial institutions to the Coast. They fully realize that cheap power will enable them to manufacture a great volume of goods for the Oriental market. With this market as the prize, and with low rates and an abundance of power, with the cream of the nation's labor market to draw upon, industry will expand, payrolls will increase, population will come in greater volume, realty values will enhance and general prosperity will once more become not the hope, but the reality.

The consummation of this major economic undertaking performs three distinctive services: First, it insures to the arid portions of California and Arizona a plentiful supply of water for domestic and irrigation purposes for generations. Second, it forever removes the grim menace, that has hung like the sword of Damocles over the heads of thousands of people with millions invested in the Palos Verde and Imperial Valleys. Third, it creates a gigantic block of cheap hydro-electric power that will stabilize the present industries of the Southwest and insure sufficient power for the future to meet the needs of this most rapidly developing section of the United States.

These services are of incalculable value. They actually mean an era of development that will add billions in values to the region affected. Thousands of people from all over the nation are yearly settling in the Southwest.

It will thus be seen that in signing the second deficiency bill, appropriating the first installment of money for the beginning of work on Boulder Dam, thus insuring Southern California a plentiful supply of water and power, President Hoover, in effect, granted to the whole Southwest a new charter of economic progress.

1930 INDEX

The Index for 1930 to the NATIONAL MUNICIPAL REVIEW will be distributed to subscribers with the January issue.

COMPARATIVE TAX RATES OF 185 CITIES, 1930

BY C. E. RIGHTOR
Detroit Bureau of Governmental Research

Mr. Rightor presents his annual comparison of municipal tax rates.

THE following table presents in condensed form a statement of the tax rates of 185 cities having over 30,000 population in the United States and Canada. This is the eighth tabulation of its kind, and it is believed that those who may refer to it will need but a brief explanation of the table.

"What is the tax rate of my city?" This question is often asked, and the attempt is made herein to answer it, in as concise and informing a manner as possible. Public officials, economists, manufacturers, students—all seek the answer, and too few realize the complexities which make difficult a truly informative answer. The objective of this compilation has remained unchanged, and it attempts to portray the total tax rate per $1,000 assessed valuation by purposes upon general property as levied in 1930. Within the compass of a single line of data, certain refinements must be passed, and reference be made to *Financial Statistics of Cities*, compiled annually by the bureau of the census, or to the local reports of the city and county officials.

The cities are listed in the order of population by the five census groups and according to the latest available figures of the 1930 census, and the Canadian cities are also according to the latest estimates. The census resulted in a considerable rearrangement of cities, as well as the addition of a number of cities in the 30,000 to 50,000 group.

The total assessed valuation is next reported, with the respective percentages of realty and personalty.

It is deemed of interest to know the date that the city's fiscal year begins and also the tax collection period. Collections vary from that at a single date to three or four collections spread throughout the year; and not infrequently the collection for school, county or state purposes is at a different date from that reported for city collection.

The tax rates per $1,000 of assessed valuation then follow, reported separately, for city, school, county and state purposes and the total.

"ADJUSTED" AND "READJUSTED" TAX RATES

The total rate should represent the total of all tax bills for all purposes upon a parcel of property assessed at $1,000. The legal basis of such assessment varies, however, and to obtain a total rate which will be fairly comparable with the rates of other cities, it is necessary to adjust all rates to an assumed legal basis of assessment of 100 per cent of full cash value. Such adjusted rate is reported in the next column, entitled "Adjusted tax rate."

Finally, the last two columns contain an estimate of the percentage of true cash value which is actually applied by assessing officials, and the resultant effect upon the tax rate, which is reported in the column "Readjusted tax rate." It is necessary to emphasize that the figures in all except the last two columns are from the official record, whereas the column "Estimated ratio of assessed value to legal basis" is merely an estimate—

although it is the best estimate available—and that the readjusted tax rate is an attempt to translate the official tax rate into a figure reflecting the comparable tax burden of each city.

A brief explanation is appropriate as to why the question "What is the city's tax rate?" cannot be answered in a summary tabulation. The table reports a single set of rates for each city, yet in some states—as Florida, Pennsylvania, California, Missouri, etc.—there are two assessing units for a city, and rates by purposes may be upon varying assessing bases. Again, classification of property, with separate rates by classes—as in Philadelphia, Baltimore, Washington, the cities of Iowa and Minnesota, etc.—and the graded tax principle obtaining in Pittsburgh and Scranton and several Canadian cities, require that the reported rates be carefully analyzed. Several cities have a single rate, and the rates apportioned to purposes must be more or less arbitrarily determined—as in New York, Atlanta, Norfolk and Chattanooga.

New York, Chicago and Minneapolis, as examples, have different rates for the boroughs, districts or wards. Even the casually informed will recognize that with the diversity of distribution of public services among the units of government, there is a consequent disparity in rates by purposes. It is equally true that the quantity and quality of governmental functions will result in a range of such itemized rates. The fiscal year and the date of levy and collection may vary, whereas the table would indicate the tax burden as actually collectible during 1930, provided the period of collection is prior to September 1.

PER CAPITA TABLES MISLEADING

It has been suggested that the table might well add a column showing the per capita tax of each city. The foregoing factors, however, render this practically impossible. The table includes tax rates for all units of government, and in most cases, therefore, several budgets for each city. The effective budget of today involves so much more than general property taxes—to which the table is limited—that only a tabulation of per capita expenditures by subdivisions of government, or by functions, would prove informative, and of course would be invaluable.

With all of these variable factors, the question may arise, of what value is the tabulation? It remains true, however, that with so many "regular" cities, general conclusions may be drawn from the table. Recognizing that, according to the more complete tabulation of the census bureau, approximately two-thirds of all taxes are from the general property tax, the compilation is at least a weathervane, indicating the trend of such taxes. Other than this, its value must be restricted largely to a comparison of cities similarly circumstanced as to population and taxing methods.

AVERAGES AND RANGES

The uniform 100 per cent tax rate column—"Adjusted tax rate"—discloses a range in the total rate from $52.05 per $1,000 assessed value for Long Beach to $18.00 for Lancaster. For the Canadian cities the range is from $40.50 for Victoria to $23.20 for Regina. This column shows an average of the rates for all cities of $33.93. The average rate for 235 cities reporting in 1929 was $33.51 (revised computation). The increase of 42 cents would indicate, therefore—ignoring the factor of assessing standards—a continuing tendency toward increasing the burden upon property for tax purposes, a trend which the tabulation has indicated for the past several years. A further analysis was made of 154 cities reporting in both 1929 and 1930, with the finding that the average increase in adjusted tax rate was 56 cents.

As already indicated, the relative tax burden—as opposed to the tax rate—requires that consideration be given to assessing standards. The tax rate is the resultant of applying the assessed valuation to the tax budget, and alone does not indicate the tax burden because an increase might mean only that the valuation was reduced. To take cognizance of the varying degrees of application of the legal basis of assessing, and more accurately measure the actual tax burden upon property, the adjusted tax rates have been revised by applying the estimated ratio of assessed to true value.

In 185 cities, it is found that the range in rates is from $40.69 for Sacramento to $12.50 for Roanoke. For the Canadian cities, similarly, the range is from $30.28 for Edmonton to $21.00 for Ottawa. The average for all cities is $24.71. This compares with $23.95 (revised computation) in 1929, the average for 235 cities. The increase of 76 cents in the average for the year indicates that the tax burden upon property is following the same upward direction as the tax rate.

An analysis was made also of the readjusted rate for the 154 cities comparable 1930 with 1929. For this smaller number of cities, the average rates were $24.26 in 1929 and $24.31 in 1930, or an increase of 5 cents. Thus, the tendency of the tax burden to increase is found to be much more moderate than for the whole list of cities reporting in each year. The disparity between 76 cents in one case and 5 cents in the other can be accounted for only in the freedom of ratios reported by a large number of cities.

The manifestations of growing citizen alarm in higher taxes, which seem in direct proportion with the mounting tax burden, lead to the inquiry as to whether a tax burden of 2.5 per cent of capital value is possibly a maximum effective levy. If so, the day of relief for real estate from additional taxation seems near at hand.

That cities are giving some thought to the assessment ratio reported is evidenced by the fact that, of the 154 comparable cities, 34 reported an increase, 28 reported a reduction, and 92 no change in the ratio of assessed to true value. Ultimately, with definite standards available to each city, it is hoped that the ratio will be so accurate that the resulting readjusted tax rate will be a reliable measuring stick.

The 1930 census reports 309 cities of the United States having a population over 30,000, with a total population of 47,570,646, or 38.7 per cent of the total for the nation. In 1920, there were 247 cities, with 36,654,364, or 34.6 per cent of the total. The growth of the cities over 30,000 population was 29.7 per cent during the decade, as compared with 16.1 per cent for the nation as a whole.

Questionnaires were sent to all cities over 30,000 population in the United States and Canada, as usual. Failure to reply by a majority of the cities in Group V, 30,000 to 50,000, indicates an absence of interest in the tax rates in that group, so it is probable that they will be omitted in subsequent compilations. The success of the compilation is due wholly to voluntary coöperation of those public officials and citizen agencies who have responded. ◆

COMPARATIVE TAX RATES OF 185 CITIES OVER 30,000 FOR 1930

Compiled by the Detroit Bureau of Governmental Research

From Data Furnished by Members of Governmental Research Association, City Officials, and Chambers of Commerce

City	Census 1930	Assessed valuation	Per cent		City fiscal year begins	Date of collection of city tax	Tax rate per $1,000 of assessed valuation					Legal basis of assessment (per cent)	Adjusted tax rate to uniform 100% basis of assessment	Estimated ratio of assessed value to legal basis (per cent)	Final readjusted tax rate	No.
			Realty	Personalty			City	School	County	State	Total					
Group I *Population 500,000 and over*																
1. New York, N. Y.[1]	6,981,927	$18,583,987,402	98	2	Jan. 1	May 1 Nov. 1	$21.06	$ 5.74	$ .70	$....	$27.00	100	$27.00	90	$24.30	1
2. Chicago, Ill.[2]	3,375,329	3,650,351,135	80	20	Jan. 1, '28	July, '30	27.60	15.30	5.60	3.00	51.50	100	51.50	37	19.06	2
3. Philadelphia, Pa.[3]	1,964,430	4,787,602,031	72	28	Jan. 1	Jan. 25	18.00	9.75	....	....	27.75	100	27.75	90	24.98	3
4. Detroit, Mich.	1,573,985	3,774,861,100	82	18	July 1	July 1	13.85	6.30	3.92	3.16	27.23	100	27.23	85	23.14	4
5. Los Angeles, Calif.[4]	1,233,561	1,803,199,740	95	5	July 1	Dec. 1 April 1	17.30	16.70	8.80	....	42.80	100	42.80	40	17.12	5
6. Cleveland, Ohio[5]	900,430	1,995,627,250	60	40	Jan. 1	Jan. 1 July 1	9.63	11.73	4.39	.45	26.20	100	26.20	80	20.96	6
7. St. Louis, Mo.	822,032	1,286,982,000	87	13	April 19	Nov. 1	16.90	8.70	....	1.30	26.90	100	26.90	70	18.83	7
8. Baltimore, Md.[6]	805,753	2,155,469,104	55	45	Jan. 1	Jan. 1	17.86	5.64	....	2.50	26.00	100	26.00	90	23.40	8
9. Boston, Mass.	787,271	1,972,148,200	92	8	Jan. 1	Sept. 15	18.10	9.11	1.73	1.86	30.80	100	30.80	90	27.72	9
10. Pittsburgh, Pa.[6a]	669,742	1,163,763,760	100	..	Jan. 1	Jan. 1	19.44	11.75	8.37	....	39.56	100	39.56	65	25.71	10
11. San Francisco, Calif.	637,212	1,303,025,065	68	32	July 1	Oct. 20 Jan. 13	29.82	10.68	....	....	40.40	100	40.40	38	15.35	11
12. Buffalo, N. Y.	573,070	1,107,503,950	99	1	July 1	July 1 Dec. 1	18.81	10.59	4.57	.23	34.20	100	34.20	80	27.36	12
13. Milwaukee, Wis.	572,557	981,544,775	86	14	Jan. 1	Dec. 15	14.67	11.36	5.20	1.09	32.32	100	32.32	75	24.24	13
Group II *Population 300,000 to 500,000*																
14. Washington, D. C.[7]	486,869	$1,341,112,859	88	12	July 1	Mar. 1 Sept. 1	$11.00	$ 6.00*	$....	$....	$17.00	100	$17.00	90	$15.30	14
15. Minneapolis, Minn.[8]	464,753	330,012,308	85	15	Jan. 1	Jan. 1	38.87	22.50	7.35	6.38	75.10	38	28.53	90	25.68	15
16. New Orleans, La.	455,792	(Not reporting)														16
17. Cincinnati, Ohio	449,331	1,108,557,500	73	27	Jan. 1	Dec. 1 June 1	8.86	7.71	4.58	.45	21.60	100	21.60	100	21.60	17
18. Newark, N. J.	442,842	905,193,983	76	24	Jan. 1	Dec. 1	19.87	9.35	5.76	4.42	39.40	100	39.40	100	39.40	18
19. Kansas City, Mo.[9]	399,484	498,836,450	73	27	May 1	June 1	13.00	11.50	5.70	1.20	31.40	100	31.40	56	17.54	19
20. Seattle, Wash.	365,518	(Not reporting)														20
21. Indianapolis, Ind.	364,073	690,247,850	66	34	Jan. 1	May 1 Nov. 1	11.40	10.20	3.80	2.90	28.30	100	28.30	80	22.64	21
22. Atlanta, Ga.[10]	360,692	405,662,257	73	27	Jan. 1	May-July Sept.	8.40	6.60	11.00	5.00	31.00	100	31.00	59	18 34	22
23. Rochester, N. Y.	325,019	638,128,455	100	0			14.88	10.88	5.84	....	31.60	100	31.60	76	24.01	23
24. Jersey City, N. J.	315,642	632,050,648	94	6	Jan. 1	June 1 Dec. 1	19.04	6.13	8.22	4.54	37.93	100	37.93	100	37.93	24
25. Louisville, Ky.[11]	307,808	456,009,126	85	15	Sept. 1	Jan. 20	16.62	7.38	4.00	3.00	31.00	100	31.00	80	24.80	25
26. Portland, Ore.[12]	301,890	347,392,000	88	12	Dec. 1	May 5 Nov. 5	21.20	17.06	5.94	4.40	48.60	100	48.60	54	26.24	26

COMPARATIVE TAX RATES OF 185 CITIES OVER 30,000 FOR 1930—*Continued*

City	Census 1930	Assessed valuation	Per cent		City fiscal year begins	Date of collection of city tax	Tax rate per $1,000 of assessed valuation					Legal basis of assessment (per cent)	Adjusted tax rate to uniform 100% basis of assessment	Estimated ratio of assessed value to legal basis (per cent)	Final readjusted tax rate	No.
			Realty	Personalty			City	School	County	State	Total					
Group III *Population 100,000 to 300,000*																
27. Houston, Texas	292,349	(Not reporting)														27
28. Toledo, Ohio	290,803	$590,000,000	80	20	Jan. 1	Dec. June	$11.75	$9.60	$5.20	$ .45	$27.00	100	$27.00	80	$21.60	28
29. Columbus, Ohio[13]	289,056	609,481,420	77	23	Jan. 1	Dec. 20 June 20	8.38	7.00	7.17	.45	23.00	100	23.00	80	18.40	29
30. Denver, Colo.	287,644	458,290,360	69	31	Jan. 1	Jan. 1	10.47	13.80	4.37	3.66	32.30	100	32.30	85	27.45	30
31. Oakland, Calif.	284,213	(Not reporting)														31
32. St. Paul, Minn.[8]	271,418	183,228,483	82	18	Jan. 1	Jan. 1	33.99	16.78	14.95	6.38	72.10	38	27.40	80	21.92	32
33. Dallas, Texas	260,397	(Not reporting)														33
34. Birmingham, Ala.	259,678	231,369,850	81	19	Sept. 1	Oct. 1	11.50	6.50	11.50	6.50	36.00	60	21.60	70	15.12	34
35. San Antonio, Texas	254,562	254,217,750	76	24	June 1	Apr. 1	19.50	8.70	7.20	6.90	42.30	100	42.30	75	31.72	35
36. Akron, Ohio	253,653	422,099,470	71	29	Jan. 1	Dec. 20 June 20	11.24	12.58	4.03	.45	28.30	100	28.30	65	18.40	36
37. Memphis, Tenn.	253,136	302,176,483	88	12	Jan. 1	July 1	16.00	6.50	9.80	2.00	34.30	100	34.30	75	25.72	37
38. Providence, R. I.[14]	252,386	684,575,806	61	39	Oct. 1, '29	Oct. 1, '29	13.98	8.23*	....	1.29*	23.50	100	23.50	75	17.62	38
39. Omaha, Nebr.	214,175	350,376,217	70	30	Jan. 1	May 1	12.35	13.00	4.20	2.40	31.95	100	31.95	70	22.36	39
40. Syracuse, N. Y.[15]	207,007	386,579,399	100	..	Jan. 1	May 1	27.55	....	6.20	....	33.75	100	33.75	70	23.63	40
41. Dayton, Ohio[16]	200,225	353,679,050	76	24	Jan. 1	Dec. 1 June 1	10.14	10.75	4.06	.45	25.40	100	25.40	80	20.32	41
42. Worcester, Mass.	195,837	347,502,250	89	11	Dec. 1	Oct. 10	18.51	7.74	1.33	.82	28.40	100	28.40	86	24.42	42
43. Oklahoma City, Okla.	185,383	151,062,990	85	15	July 1	Jan. 1	17.08	19.51	6.61	3.50	46.70	100	46.70	45	21.02	43
44. Richmond, Va.[17]	182,833	271,820,500	92	8	Feb. 1	June 1 Nov. 1	16.00	7.50	....	....	23.50	100	23.50	67	15.67	44
45. Youngstown, Ohio	170,004	(Not reporting)														45
46. Grand Rapids, Mich.	168,650	274,678,717	77	23	April 1	July 1	12.96	13.33	2.81	3.84	32.94	100	32.94	80	26.35	46
47. Hartford, Conn.	163,849	380,650,399	86	14	April 1	July 1	11.45	11.76	.42	.58	24.21	100	24.21	80	19.37	47
48. New Haven, Conn.	162,650	330,201,879	86	14	Jan. 1	Mar. 1 Sept. 1	13.00	10.00	.33	.67	24.00	100	24.00	85	20.40	48
49. Fort Worth, Texas	160,892	180,384,107	75	25	Oct. 1	Oct. 1	18.50	10.00	8.80	6.90	44.20	100	44.20	55	24.31	49
50. Flint, Mich.	156,422	225,371,470	78	22	July 1	July Oct. Feb.	14.80	16.20	6.46	4.77	42.23	100	42.23	80	33.78	50
51. Nashville, Tenn.	153,153	189,895,044	75	25	Jan. 1	Aug. 1	18.50	3.50	7.50	2.00	31.50	100	31.50	75	23.62	51
52. Springfield, Mass.	149,861	309,470,550	91	9	Dec. 1	Nov. 1	15.60	9.15*	1.50	.95	27.20	100	27.20	100	27.20	52
53. San Diego, Calif.	147,897	164,431,976	93	7	July 1	Nov. 1	21.90	13.20	18.10	....	53.20	100	53.20	40	21.28	53
54. Bridgeport, Conn.	147,206	(Not reporting)														54
55. Scranton, Pa.[18]	143,428	127,179,905	100	..	Jan. 1	Feb. 10	17.65	21.00	11.50	....	50.15	100	50.15	55	25.08	55
56. Des Moines, Ia.	142,469	(Not reporting)														56
57. Long Beach, Calif.	141,528	212,056,255	83	17	July 1	Oct. Jan.	16.30	18.50	17.25	....	52.05	100	52.05	50	26.02	57
58. Tulsa, Okla.	141,281	(Not reporting)														58

COMPARATIVE TAX RATES OF 185 CITIES OVER 30,000 FOR 1930—*Continued*

City	Census 1930	Assessed valuation	Per cent		City fiscal year begins	Date of collection of city tax	Tax rate per $1,000 of assessed valuation					Legal basis of assessment (per cent)	Adjusted tax rate to uniform 100% basis of assessment	Estimated ratio of assessed value to legal basis (per cent)	Final readjusted tax rate	No.
			Realty	Personalty			City	School	County	State	Total					
GROUP III—*Continued* *Population 100,000 to 300,000*																
59. Salt Lake City, Utah	140,184	$185,811,911	72	28	Jan. 1	Sept. 30	$11.70	$10.50	$4.90	$7.30	$34.40	100	$34.40	80	$27.52	59
60. Paterson, N. J.	138,267	211,388,336	90	10	Jan. 1	June 1 Dec. 1	20.72	10.84	6.32	4.72	42.60	100	42.60	90	38.34	60
61. Yonkers, N. Y.	135,123	(Not reporting)														61
62. Jacksonville, Fla.	129,809	(Not reporting)														62
63. Norfolk, Va.[15]	128,968	179,084,037	91	9	Jan. 1	July 1 Nov. 1	28.50	....	....	....	28.50	100	28.50	58	16.53	63
64. Albany, N. Y.	127,358	225,204,195	100	..	Jan. 1	Jan. 1	23.72	5.24*	5.87	....	34.83	100	34.83	70	24.38	64
65. Trenton, N. J.	122,610	(Not reporting)														65
66. Kansas City, Kan.	122,600	138,042,897	80	20	Jan. 1	Nov. 1	13.81	16.00	5.30	2.19	57.30	100	37.30	60	22.38	66
67. Chattanooga, Tenn.[15]	119,539	136,971,037	88	12	Oct. 1	Oct. 1	18.60	....	13.20	2.00	33.80	100	33.80	70	23.66	67
68. Camden, N. J.	117,172	(Not reporting)														68
69. Spokane, Wash.	116,010	86,978,625	75	25	Jan. 1	Feb. 3	22.70	14.40	13.83	11.27	62.20	50	31.10	86	26.74	69
70. Erie, Pa.	115,912	144,896,531	100	..	Jan. 1	May 1	13.20	14.00	7.00	....	34.20	100	34.20	58	19.78	70
71. Fall River, Mass.[15]	115,301	149,014,800	76	24	Jan. 1	Oct. 1	36.51	....	1.27	1.02	38.80	100	38.80	73	28.32	71
72. Fort Wayne, Ind.	114,946	(Not reporting)														72
73. Elizabeth, N. J.	114,557	166,011,057	89	11	Jan. 1	June 1 Dec. 1	14.13	9.59	5.99	4.29	34.00	100	34.00	100	34.00	73
74. Cambridge, Mass.	113,650	(Not reporting)														74
75. New Bedford, Mass.	112,836	(Not reporting)														75
76. Wichita, Kans.	111,039	150,604,235	70	30	July 1	Nov. 1	10.38	18.90	4.22	2.00	35.50	100	35.50	67	23.67	76
77. Miami, Fla.[19]	110,514	167,519,892	97	3	July 1	Nov. 1	20.49	8.68	4.53	3.17	36.87	100	36.87	50	18.44	77
78. Reading, Pa.	110,289	(Not reporting)														78
79. Tacoma, Wash.	106,885	(Not reporting)														79
80. Wilmington, Del.[20]	106,632	151,476,250	100	..	July 1	July 1	15.80	2.20	8.00	....	26.00	100	26.00	80	20.80	80
81. Knoxville, Tenn.	105,797	157,012,720	89	11	Oct. 1	July 10	16.50	4.50	10.50	2.00	33.50	100	33.50	80	26.80	81
82. Canton, Ohio	105,524	242,989,010	67	33	Jan. 1	Dec. 20 June 20	6.63	10.35	3.52	.40	20.90	100	20.90	100	20.90	82
83. Peoria, Ill.[21]	104,788	92,980,759	75	25	Jan. 1	Mar. 1	20.20	14.65	3.85	3.90	42.60	100	42.60	40	17.04	83
84. South Bend, Ind.	104,179	(Not reporting)														84
85. Somerville, Mass.	103,604	(Not reporting)														85
86. Evansville, Ind.	103,151	138,270,090	70	30	Jan. 1	May Nov.	14.10	10.50	4.10	2.90	31.60	100	31.60	100	31.60	86
87. Utica, N. Y.	102,633	(Not reporting)														87
88. Lynn, Mass.	102,327	140,896,645	88	12	Jan. 1	Nov. 1	15.39	9.01	1.67	1.93	28.00	100	28.00	100	28.00	88
89. El Paso, Texas	101,975	(Not reporting)														89
90. Duluth, Minn.[8]	101,417	80,740,343	77	23	Jan. 1	Jan. 1	27.74	32.04	12.94	6.38	79.10	38	30.06	82	24.65	90
91. Tampa, Fla.[19]	101,334	261,489,892	91	9	June 1	Oct. 1	17.50	4.40	5.20	2.80	29.90	100	29.90	50	14.95	91
92. Waterbury, Conn.[22]	101,025	170,214,073	76	24	Jan. 1	May 1 Oct. 1	28.72	12.16	.45	.59	41.92	100	41.92	80	33.53	92
93. Gary, Ind.	100,424	173,197,575	74	26	Jan. 1	May 1 Nov. 1	9.80	15.00	4.40	2.30	31.50	100	31.50	75	23.62	93
94. Lowell, Mass.	100,300	130,226,530	86	14	Jan. 1	Oct. 1	19.77	7.20	1.39	1.24	29.60	100	29.60	100	29.60	94

COMPARATIVE TAX RATES OF 185 CITIES OVER 30,000 FOR 1930—*Continued*

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			Realty	Personalty			City	School	County	State	Total					
GROUP IV *Population 50,000 to 100,000*																
95. Schenectady, N. Y.	95,652	(Not reporting)														95
96. Sacramento, Calif.	93,685	$106,438,825	87	13	Jan. 1	Nov. 1	$20.52	$24.25	$11.75	....	$56.52	100	$56.52	72	$40.69	96
97. Allentown, Pa.	92,052	100,000,000	100	..	Jan. 1	Mar. 1	12.40	15.00	4.00	....	31.40	100	31.40	50	15.70	97
98. Wilkes-Barre, Pa.	86,507	113,001,950	95	5	Jan. 1	Mar. 1	14.00	16.00	12.40	....	42.40	100	42.40	60	25.44	98
99. Bayonne, N. J.	85,848	(Not reporting)														99
100. Rockford, Ill.	85,831	(Not reporting)														100
101. Savannah, Ga.	85,007	78,000,000	60	40	Jan. 1	April July Oct.	23.00	10.00	12.50	$5.00	50.50	100	50.50	55	27.78	101
102. Lawrence, Mass.	84,949	124,446,925	75	25	Jan. 1	Oct. 1	15.34	9.32	1.86	1.08	27.60	100	27.60	100	27.60	102
103. Charlotte, N. C.	82,645	(Not reporting)														103
104. Little Rock, Ark.	81,679	(Not reporting)														104
105. Berkeley, Calif.	81,543	91,083,200	95	5	July 11	Dec. 6	15.90	15.70	22.10	....	53.70	100	53.70	55	29.53	105
106. Altoona, Pa.	81,503	(Not reporting)														106
107. St. Joseph, Mo.	80,944	79,917,570	74	26	April 15	May 1	12.50	12.25	7.05	1.20	33.00	100	33.00	65	21.45	107
108. Saginaw, Mich.	80,685	(Not reporting)														108
109. Harrisburg, Pa.	80,284	(Not reporting)														109
110. Sioux City, Ia.[23]	79,212	102,800,000	83	17	April 1	Mar. Sept.	12.00	17.13	5.12	2.75	37.00	100	37.00	60	22.20	110
111. Lansing, Mich.	78,421	154,668,091	77	23	May 1	July	11.62	9.52	3.90	3.64	28.68	100	28.68	80	22.94	111
112. Pawtucket, R. I.	77,203	(Not reporting)														112
113. Manchester, N. H.	76,834	110,880,831	70	30	Jan. 1	Apr. 1	14.65	7.15	2.90	2.30	27.00	100	27.00	100	27.00	113
114. Shreveport, La.	76,659	(Not reporting)														114
115. Binghamton, N. Y.	76,601	(Not reporting)														115
116. Lincoln, Nebr.	75,919	(Not reporting)														116
117. Pasadena, Calif.	75,875	188,726,363	52	48	July 1	Oct. 7	12.30	21.90	10.10	....	44.30	100	44.30	57	25.23	117
118. Huntington, W. Va.	75,575	(Not reporting)														118
119. Niagara Falls, N. Y.	75,398	144,177,671	100	..	Jan. 1	Nov. 1	11.95	11.37	6.38	....	29.70	100	29.70	72	21.38	119
120. Winston-Salem, N. C.	75,288	(Not reporting)														120
121. East St. Louis, Ill.	74,024	(Not reporting)														121
122. Troy, N. Y.	72,763	(Not reporting)														122
123. Quincy, Mass.	71,965	(Not reporting)														123
124. Springfield, Ill.	71,857	(Not reporting)														124
125. Portland, Me.	70,810	(Not reporting)														125
126. Lakewood, Ohio	69,811	151,675,560	88	12	Jan. 1	Dec. 1 June 1	7.27	12.39	4.39	.45	24.50	100	24.50	80	19.60	126
127. Roanoke, Va.	69,096	68,458,087	84	16	Jan. 1	Nov. 1	17.25	7.75	....	....	25.00	100	25.00	50	12.50	127
128. Springfield, Ohio	68,406	121,411,920	69	31	Jan. 1	Dec. 20 June 20	5.80	6.90	3.25	3.05	19.00	100	19.00	100	19.00	128
129. Mobile, Ala.	68,277	(Not reporting)														129
130. East Orange, N. J.	68,227	130,418,244	93	7	Jan. 1	June 1 Dec. 1	16.90	7.90	3.80	4.40	35.00	100	35.00	70	24.50	130
131. New Britain, Conn.	68,095	(Not reporting)														131

COMPARATIVE TAX RATES OF 185 CITIES OVER 30,000 FOR 1930—*Continued*

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			Realty	Personalty			City	School	County	State	Total					
GROUP IV—*Continued* *Population 50,000 to 100,000*																
132. Racine, Wis.	67,515	(Not reporting)														132
133. Johnstown, Pa.	66,983	(Not reporting)														133
134. Montgomery, Ala.	66,075	(Not reporting)														134
135. Cicero, Ill.[24]	65,776	$58,935,298	94	6	Jan. 1, '28	July 1, '30	$20.70	$22.50	$5.60	$3.00	$51.80	100	$51.80	40	$20.72	135
136. Atlantic City, N. J.	65,748	317,169,258	96	4	Jan. 1	June 1 Dec. 1	15.82	4.22	4.43	4.37	28.84	100	28.84	90	25.95	136
137. Newton, Mass.	65,295	(Not reporting)														137
138. Covington, Ky.	65,247	(Not reporting)														138
139. Pontiac, Mich.	64,897	104,038,719	80	20	Jan. 1	July 1	17.88	15.23	6.73	5.29	45.13	100	45.13	60	27.17	139
140. Hammond, Ind.	64,523	(Not reporting)														140
141. Topeka, Kans.	64,005	88,998,895	66	34	Jan. 1	Dec. 20 June 20	15.04	15.75	4.28	2.03	37.10	100	37.10	70	25.97	141
142. Oak Park, Ill.	63,819	(Not reporting)														142
143. Brockton, Mass.	63,695	82,146,075	83	17	Dec. 1	Oct. 15	22.15	9.14	1.37	.94	33.60	100	33.60	80	26.88	143
144. Evanston, Ill.[25]	63,339	83,898,698	89	11	Jan. 1	Jan. 1	19.10	28.00	4.60	3.00	54.70	100	54.70	37	20.24	144
145. Passaic, N. J.	63,108	100,582,351	84	16	Jan. 1	June 1 Dec. 1	20.42	11.73	6.25	4.70	43.10	100	43.10	70	30.17	145
146. Glendale, Calif.	62,607	83,257,274	92	8	July 1	Oct. 20	12.00	21.50	9.80	....	43.30	100	43.30	50	21.65	146
147. Terre Haute, Ind.	62,543	77,566,520	66	34	Jan. 1	May Nov.	15.15	15.35	7.00	2.90	40.40	100	40.40	75	30.30	147
148. Charleston, S. C.[26]	62,419	23,173,181	73	27	Jan. 1	May July Oct. 15	65.00	16.25	25.00	....	106.25	42	44.62	71	31.68	148
149. Wheeling, W. Va.	61,752	98,936,548	74	26	July 1	Nov. 1	9.10	10.80	5.30	1.90	27.10	100	27.10	60	16.26	149
150. Mount Vernon, N. Y.	60,869	160,939,665	100	..	Jan. 1	Jan. July	12.08	11.60	3.93	.19	27.80	100	27.80	85	23.63	150
151. Davenport, Ia.	60,728	66,791,640	88	12	April 1	Sept. 1	13.50	22.16	7.83	4.50	47.99	100	47.99	55	26.39	151
152. Lancaster, Pa.	60,596	108,788,160	100	..	Jan. 1	July 1	5.00	10.00	3.00	....	18.00	100	18.00	80	14.40	152
153. Charleston, W. Va.	60,411	(Not reporting)														153
154. Augusta, Ga.	60,204	54,346,000	70	30	Jan. 1	April July Oct. 1	20.00	12.55	8.60	5.00	46.15	100	46.15	50	23.07	154
155. Medford, Mass.	59,700	(Not reporting)														155
156. Chester, Pa.	58,963	74,909,440	100	..	Jan. 6	Mar. 1	11.50	11.00	4.33	....	26.83	100	26.83	70	18.78	156
157. Union City, N. J.	58,588	(Not reporting)														157
158. Malden, Mass.	58,143	(Not reporting)														158
159. Madison, Wis.	57,815	147,448,704	85	15	Jan. 1	Jan. 1	6.70	10.15	5.52	1.13	23.50	100	23.50	90	21.15	159
160. Bethlehem, Pa.	57,773	(Not reporting)														160
161. San Jose, Calif.	57,547	(Not reporting)														161
162. Decatur, Ill.	57,511	(Not reporting)														162
163. Springfield, Mo.	57,507	44,795,600	75	25	July 1	Sept. 1	16.20	15.80	4.20	1.20	37.40	100	37.40	70	26.18	163
164. Beaumont, Texas	57,483	(Not reporting)														164
165. Irvington, N. J.	56,745	74,922,478	92	8	Jan. 1	June 1 Dec. 1	16.01	10.12	5.68	4.38	36.19	100	36.19	100	36.19	165

COMPARATIVE TAX RATES OF 185 CITIES OVER 30,000 FOR 1930—*Continued*

City	Census 1930	Assessed valuation	Per cent		City fiscal year begins	Date of collection of city tax	Tax rate per $1,000 of assessed valuation					Legal basis of assessment (per cent)	Adjusted tax rate to uniform 100% basis of assessment	Estimated ratio of assessed value to legal basis (per cent)	Final readjusted tax rate	No.
			Realty	Personalty			City	School	County	State	Total					
GROUP IV—*Continued* *Population 50,000 to 100,000*																
166. Holyoke, Mass.	56,555	(Not reporting)														166
167. Hoboken, N. J.	56,523	$100,794,969	92	8	Jan. 1	June 1 Dec. 1	$24.84	$14.17	$7.99	$1.66	$48.66	100	$48.66	75	$36.49	167
168. Hamtramck, Mich.	56,283	116,944,158	71	29	July 1	July 15 Aug. 20	15.40	9.50	3.79	3.16	31.85	100	31.85	100	31.85	168
169. Cedar Rapids, Ia.	56,078	(Not reporting)														169
170. York, Pa.	55,237	56,851,010	98	2	Jan. 6	Mar. 15	9.50	16.00	10.00	....	35.50	100	35.50	50	17.75	170
171. Jackson, Mich.	54,870	90,827,060	80	20	Jan. 1	July 1	9.85	10.40	7.83	4.05	32.13	100	32.13	75	24.10	171
172. East Chicago, Ind.	54,660	(Not reporting)														172
173. McKeesport, Pa.	54,631	(Not reporting)														173
174. Kalamazoo, Mich.	54,388	(Not reporting)														174
175. New Rochelle, N. Y.	54,055	192,774,075	100	..	Jan. 1	April 1 Sept. 1	14.79	7.89	4.05	.17	26.90	100	26.90	100	26.90	175
176. Macon, Ga.	53,866	(Not reporting)														176
177. Galveston, Texas	53,427	(Not reporting)														177
178. Greensboro, N. C.	53,422	107,000,000	75	25	May 31	Sept. 1	9.30	3.50	9.90	....	22.70	100	22.70	75	17.02	178
179. Austin, Texas	53,118	50,737,919	79	21	Jan. 1	Jan. 1	16.50	6.00	8.50	6.80	37.80	100	37.80	67	25.20	179
180. Highland Park, Mich.	52,883	132,744,600	76	24	July 1	July 15	10.40	11.40	3.73	3.15	28.68	100	28.68	80	22.94	180
181. Waco, Texas	52,825	62,184,700	75	25	Oct. 1	Oct. 1	17.90	6.50	9.70	6.90	41.00	100	41.00	75	30.75	181
182. Fresno, Calif.	52,558	50,233,450	85	15	July 1	Oct. Jan.	23.33	15.60	19.50	....	58.43	100	58.43	50	29.21	182
183. Hamilton, Ohio	52,108	98,687,630	73	27	Jan. 1	Dec. June	8.63	8.70	3.47	.45	21.25	100	21.25	100	21.25	183
184. Durham, N. C.	52,026	81,787,980	69	31	June 1	Oct. 1	11.80	8.65	4.85	....	25.30	100	25.30	75	18.97	184
185. Kenosha, Wis.	50,242	78,022,880	81	19	Jan. 1	Jan. 1	10.58	9.66	3.62	5.14	29.00	100	29.00	58	16.82	185
186. Columbia, S. C.	50,195	(Not reporting)														186
187. Asheville, N. C.	50,167	116,500,000	80	20	Sept. 1	Sept. 1	14.00	4.60	12.00	....	30.60	100	30.60	80	24.48	187
188. Cleveland Heights, O.	50,123	169,621,780	86	14	Jan. 1	Dec. Jan.	6.61	11.45	4.30	.45	22.90	100	22.90	80	18.32	188
189. Pueblo, Colo.	50,102	(Not reporting)														189
190. Port Arthur, Texas	50,067	(Not reporting)														190
191. Dearborn, Mich.	50,060	(Not reporting)														191
GROUP V *Population 30,000 to 50,000*																
192. Pittsfield, Mass.	49,675	$59,165,770	89	11	Jan. 1	April 1	$20.55	$7.40	$2.78	$1.27	$32.00	100	$32.00	65	$20.80	192
193. Woonsocket, R. I.	49,585	(Not reporting)														193
194. New Castle, Pa.	48,705	57,757,660	95	5	Jan. 1	Mar. 1	12.00	16.00	9.00	....	37.00	100	37.00	67	24.67	194
195. Haverhill, Mass.	48,687	63,509,675	88	12	Jan. 1, '30	Sept. 15, '29	19.97	8.02	1.42	.99	30.40	100	30.40	100	30.40	195
196. Everett, Mass.	48,298	(Not reporting)														196
197. Stockton, Calif.	47,951	(Not reporting)														197

COMPARATIVE TAX RATES OF 185 CITIES OVER 30,000 FOR 1930—*Continued*

City	Census 1930	Assessed valuation	Per cent		City fiscal year begins	Date of collection of city tax	Tax rate per $1,000 of assessed valuation					Legal basis of assessment (per cent)	Adjusted tax rate to uniform 100% basis of assessment	Estimated ratio of assessed value to legal basis (per cent)	Final readjusted tax rate	No.
			Realty	Personalty			City	School	County	State	Total					
Group V—*Continued* *Population 30,000 to 50,000*																
198. Phoenix, Ariz.	47,950	$86,000,000	63	37	July 1	Oct. April	$12.20	$10.90	$18.10	$8.00	$49.20	100	$49.20	83	$40.83	198
199. Jackson, Miss.	47,934	(Not reporting)														199
200. Brookline, Mass.	47,437	165,660,000	90	10	Jan. 1	Oct. 15	13.03	3.63	.70	1.64	19.00	100	19.00	100	19.00	200
201. Elmira, N. Y.	47,381	(Not reporting)														201
202. Bay City, Mich.	47,350	47,688,188	82	18	July 1	Aug. 1	14.40	18.20	6.64	3.33	42.57	100	42.57	85	36.19	202
203. Berwyn, Ill.	47,005	(Not reporting)														203
204. Aurora, Ill.	46,568	(Not reporting)														204
205. Muncie, Ind.	46,517	(Not reporting)														205
206. Stamford, Conn.	46,282	(Not reporting)														206
207. Waterloo, Iowa	45,969	(Not reporting)														207
208. Lexington, Ky.	45,723	(Not reporting)														208
209. Williamsport, Pa.	45,695	(Not reporting)														209
210. Clifton, N. J.	45,673	47,516,429	91	9	Jan. 1	June 1 Dec. 1	18.22	17.20	7.71	2.17	45.30	100	45.30	100	45.30	210
211. Portsmouth, Va.	45,353	36,835,688	95	5	Jan. 1	Nov.	17.22	9.28*	....	....	26.50	100	26.50	70	18.55	211
212. Jamestown, N. Y.[26]	45,172	65,007,589	100	..	Jan. 1	April 26	13.04	11.55	8.36	....	32.95	100	32.95	60	19.77	212
213. Chelsea, Mass.	44,827	56,431,350	87	13	Jan. 1	April 1	26.77	10.38	2.45	....	39.60	100	39.60	100	39.60	213
214. Lorain, Ohio	44,483	(Not reporting)														214
215. Perth Amboy, N. J.	44,007	(Not reporting)														215
216. Chicopee, Mass.	43,981	50,189,160	95	5	Dec. 1	Oct. 1	18.17	12.78	1.73	1.22	33.90	100	33.90	90	30.51	216
217. Cranston, R. I.	43,914	(Not reporting)														217
218. Wichita Falls, Texas	43,614	52,708,400	81	19	April 1	Oct. 1	21.00	10.00	7.50	6.80	45.30	100	45.30	60	27.18	218
219. Battle Creek, Mich.	43,301	71,000,000	75	25	Mar. 1	July 10	10.00	13.40	5.80	4.40	33.60	100	33.60	100	33.60	219
220. Salem, Mass.	43,287	58,257,180	83	17	Jan. 1	Sept. 1	18.36	8.74	1.71	1.49	30.30	100	30.30	100	30.30	220
221. Columbus, Ga.	43,122	(Not reporting)														221
222. Amarillo, Texas	43,107	(Not reporting)														222
223. Portsmouth, Ohio	42,536	(Not reporting)														223
224. Lima, Ohio	42,217	76,100,910	77	23	Jan. 1	Dec. 20 June 20	10.21	9.88	4.46	.45	25.00	100	25.00	100	25.00	224
225. Council Bluffs, Ia.	42,023	(Not reporting)														225
226. Montclair, N. J.	42,006	110,141,391	92	8	Jan. 1	June 1 Dec. 1	15.90	9.75	8.45	1.70	35.80	100	35.80	90	32.22	226
227. Joliet, Ill.	41,753	(Not reporting)														227
228. Dubuque, Ia.	41,678	48,534,746	75	25	April 1	Jan. 1	14.63	12.25	6.25	2.87	36.00	100	36.00	75	24.00	228
229. Muskegon, Mich.	41,338	66,190,560	75	25	Jan. 1	Dec. 1	13.32	13.21	6.50	3.27	36.30	100	36.30	100	36.30	229
230. Warren, Ohio	41,054	(Not reporting)														230
231. Kearny, N. J.	40,724	91,894,423	72	28	Jan. 1	June 1 Dec. 1	15.15	10.44	8.94	1.93	36.46	100	36.46	65	23.70	231
232. Fitchburg, Mass.	40,672	58,757,600	80	20	Dec. 1	Oct. 15	17.58	9.36	.39	1.07	28.40	100	28.40	100	28.40	232
233. Lynchburg, Va.	40,559	45,353,874	93	7	Jan. 1	Sept. 15	13.50	10.00	....	....	23.50	100	23.50	60	14.10	233
234. East Cleveland, Ohio	40,279	88,668,070	85	15	Jan. 1	Dec. June	7.77	15.69	4.19	.45	28.10	100	28.10	90	25.29	234

COMPARATIVE TAX RATES OF 185 CITIES OVER 30,000 FOR 1930—*Continued*

City	Census 1930	Assessed valuation	Per cent		City fiscal year begins	Date of collection of city tax	Tax rate per $1,000 of assessed valuation					Legal basis of assessment (per cent)	Adjusted tax rate to uniform 100% basis of assessment	Estimated ratio of assessed value to legal basis (per cent)	Final readjusted tax rate	No.
			Realty	Personalty			City	School	County	State	Total					
Group V—*Continued* *Population 30,000 to 50,000*																
235. Ogden, Utah	40,243	$40,674,017	80	20	Jan. 1	Nov. 30	$12.00	$11.50	$5.60	$7.30	$36.40	100	$36.40	60	$21.84	235
236. Poughkeepsie, N. Y.	40,123	(Not reporting)														236
237. Oshkosh, Wis.[26]	40,075	60,498,330	82	18	Jan. 1	Jan. 1	11.21	9.28	5.51	....	26.00	100	26.00	80	20.80	237
238. Anderson, Ind.	39,788	(Not reporting)														238
239. La Crosse, Wis	39,608	48,051,423	83	16	Jan. 1	Jan. 1	11.10	13.50	6.50	.90	32.00	100	32.00	85	27.20	239
240. Butte, Mont.	39,540	(Not reporting)														240
241. St. Petersburg, Fla.	39,504	(Not reporting)														241
242. Waltham, Mass.	39,425	(Not reporting)														242
243. Sheboygan, Wis.	39,249	(Not reporting)														243
244. Quincy, Ill.	39,221	38,721,306	72	38	May 1	Jan. 1	13.70	15.00	2.50	3.90	35.10	100	35.10	60	21.06	244
245. Rock Island, Ill.	39,093	24,237,948	79	21	April 1	April 1	14.10	20.00	5.90	3.90	43.90	100	43.90	33	14.63	245
246. Hazelton, Pa.	39,078	29,696,520	100	..	Jan.	April 1	15.00	24.00	8.90	....	47.90	100	47.90	50	23.95	246
247. Meriden, Conn.	38,452	(Not reporting)														247
248. Bloomfield, N. J.	38,070	66,549,520	88	12	Jan. 1	June 1 Oct. 1	17.00	12.20	5.70	1.60	36.50	100	36.50	100	36.50	248
249. Cumberland, Md.	37,713	(Not reporting)														249
250. San Bernardino, Calif.	37,453	(Not reporting)														250
251. Raleigh, N. C.	37,375	(Not reporting)														251
252. Green Bay, Wis.	37,353	(Not reporting)														252
253. Taunton, Mass.	37,288	(Not reporting)														253
254. Santa Monica, Calif.	36,993	(Not reporting)														254
255. West New York, N. J.	36,916	(Not reporting)														255
256. Auburn, N. Y.[26]	36,736	52,856,177	100	..	July 1	July 1	10.89	5.28	7.85	....	24.02	100	24.02	98	23.54	256
257. High Point, N. C.	36,708	48,506,062	81	19	June 1	Oct. 1	10.00	2.00	9.90	....	21.90	100	21.90	75	16.42	257
258. Danville, Ill	36,646	(Not reporting)														258
258a. Zanesville, Ohio	36,439	(Not reporting)														258a
259. Superior, Wis.	36,100	(Not reporting)														259
260. Arlington, Mass.	36,089	(Not reporting)														260
261. Norwalk, Conn.	35,961	(Not reporting)														261
261a. Elgin, Ill.	35,912	(Not reporting)														261a
262. Norristown, Pa.	35,837	(Not reporting)														262
263. Revere, Mass.	35,705	(Not reporting)														263
264. White Plains, N. Y.	35,604	(Not reporting)														264
265. Orange, N. J.	35,509	48,329,895	93	7	Jan. 1	June 1 Dec. 1	19.76	10.15	5.69	4.40	40.00	100	40.00	85	34.00	265
266. Steubenville, Ohio	35,418	(Not reporting)														266
267. Lewiston, Me.	34,948	34,032,256	70	30	Mar. 1	Aug. 20	21.00	5.00	2.00	5.50	33.50	100	33.50	60	20.10	267
268. Watertown, Mass.	34,860	(Not reporting)														268
269. Amsterdam, N. Y.	34,683	(Not reporting)														269
270. West Allis, Wis.	34,617	(Not reporting)														270
271. Plainfield, N. J.	34,405	62,023,861	89	11	Jan. 1	June 1 Dec. 1	18.40	11.60	6.00	4.30	40.30	100	40.30	63	25.39	271
272. Alameda, Calif.	34,392	(Not reporting)														272

COMPARATIVE TAX RATES OF 185 CITIES OVER 30,000 FOR 1930—*Continued*

City	Census 1930	Assessed valuation	Per cent		City fiscal year begins	Date of collection of city tax	Tax rate per $1,000 of assessed valuation					Legal basis of assessment (per cent)	Adjusted tax rate to uniform 100% basis of assessment	Estimated ratio of assessed value to legal basis (per cent)	Final readjusted tax rate	No.
			Realty	Personalty			City	School	County	State	Total					
Group V—*Continued* *Population 30,000 to 50,000*																
273. Easton, Pa.	34,328	$45,743,260	100	..	Jan. 1	Jan. 1	$13.50	$15.00	$7.00	....	$35.50	100	$35.50	60	$21.30	273
274. Newport News, Va.	34,285	(Not reporting)														274
275. New Brunswick, N. J.	34,280	44,170,800	92	8	Jan. 1	April 1	22.00	11.60	10.50	$4.50	48.60	100	48.60	55	26.73	275
276. Santa Barbara, Calif.	33,544	(Not reporting)														276
277. Paducah, Ky.	33,541	25,759,110	88	12	Jan. 1	June Oct.	15.00	11.00	7.00	3.00	36.00	100	36.00	70	25.20	277
278. Joplin, Mo.	33,452	(Not reporting)														278
279. Mansfield, Ohio	33,434	75,456,570	76	24	Jan. 1	Dec. June	6.70	9.40	4.85	.45	21.40	100	21.40	100	21.40	279
280. Waukegan, Ill.	33,434	(Not reporting)														280
281. Norwood, Ohio	33,367	76,758,000	66	34	Jan. 1	June 20 Dec. 20	7.34	7.95	4.36	.25	19.90	100	19.90	80	15.92	281
282. Sioux Falls, S. D.	33,360	45,538,275	75	25	Jan. 1	April Oct.	11.64	15.34	4.03	3.10	34.11	100	34.11	70	23.88	282
283. Colorado Springs, Colo.	33,223	41,944,830	67	33	Jan. 1	Mar. 1	14.00	15.50	8.41	3.66	41.57	100	41.57	72	29.93	283
284. Elkhart, Ind.	33,195	(Not reporting)														284
285. Laredo, Texas	32,716	(Not reporting)														285
286. Kokomo, Ind.	32,680	(Not reporting)														286
287. Richmond, Ind.	32,561	(Not reporting)														287
288. Meridian,	32,527	(Not reporting)														288
289. Rome, N. Y.	32,496	24,676,349	97	3	Jan. 1	Jan. 1	15.42	13.60	7.83	....	36.85	100	36.85	65	23.95	289
290. Moline, Ill.	32,330	(Not reporting)														290
291. Tucson, Ariz.	32,198	(Not reporting)														291
292. Wilmington, N. C.	32,167	(Not reporting)														292
293. Watertown, N. Y.	32,088	46,957,492	100	..	July 1	July 1	14.10	11.90	8.30	....	34.30	100	34.30	87	29.84	293
294. Muskogee, Okla.	32,006	29,186,223	70	30	July 1	Dec. 1	16.54	15.56	9.27	3.50	44.87	100	44.87	60	26.92	294
295. Pensacola, Fla.	31,559	(Not reporting)														295
296. Baton Rouge, La.	31,465	(Not reporting)														296
297. Nashua, N. H.	31,463	(Not reporting)														297
298. Fort Smith, Ark.	31,429	22,767,209	64	36	April 1, '29	Jan. 1, '30	7.03	18.00	7.75	7.90	40.68	50	20.34	60	12.20	298
299. Newburgh, N. Y.[26]	31,243	39,941,000	100	..	Jan. 1	Mar. 15 April 15	14.00	10.00	10.76	....	34.76	100	34.76	83	28.85	299
300. Port Huron, Mich.	31,176	38,983,543	84	16	May 1	July Dec.	13.68	15.68	8.72	3.76	41.84	100	41.84	85	35.56	300
301. Marion, Ohio	31,005	(Not reporting)														301
302. Bloomington, Ill.	30,915	(Not reporting)														302
303. Hagerstown, Md.	30,861	(Not reporting)														303
304. Riverside, Calif.	30,654	(Not reporting)														304
305. Bellingham, Wash.	30,602	(Not reporting)														305
306. Everett, Wash.	30,498	(Not reporting)														306
307. Newark, Ohio	30,471	47,571,580	70	30	Jan. 1	Dec. June	8.20	10.10	5.25	.45	24.00	100	34.00	80	19.20	307
308. Santa Ana, Calif.	30,166	(Not reporting)														308
309. Alton, Ill.	30,142	(Not reporting)														309

COMPARATIVE TAX RATES OF 185 CITIES OVER 30,000 FOR 1930—*Continued*

City	Census 1930	Assessed valuation	Per cent		City fiscal year begins	Date of collection of city tax	Tax rate per $1,000 of assessed valuation					Legal basis of assessment (per cent)	Adjusted tax rate to uniform 100% basis of assessment	Estimated ratio of assessed value to legal basis (per cent)	Final readjusted tax rate	No.
			Realty	Personalty			City	School	County	State	Total					
CANADIAN CITIES																
1. Montreal, Que.		(Not reporting)														1
2. Toronto, Ont.[27]	621,596	$1,011,970,429	100	..	Jan. 1	May 4 July 4 Sept. 4	$21.55	$10.25	....	....	$31.80	100	$31.80	75	$23.85	2
3. Vancouver, B. C.[28]	240,421	258,035,561	100	..	Jan. 1	Aug. 4	27.49	12.39	....	....	39.88	74	29.51	100	29.51	3
4. Winnipeg, Man.[29]	209,286	236,614,700	100	..	Jan. 1	June 2	17.50	14.02	....	$1.98	33.50	79	26.53	100	26.53	4
5. Hamilton, Ont.[30]	144,525	166,120,080	100	..	Jan. 1	June 1 Sept. 1	19.76	13.74	....	....	33.50	100	33.50	75	25.13	5
6. Quebec, Que.[31]	136,172	114,046,001	100	..	May 1	Aug. 1	23.40	9.50	....	....	32.90	100	32.90	80	26.32	6
7. Ottawa, Ont.[32]	125,496	154,324,513	100	..	Jan. 1	June 18 Nov. 18	20.25	11.10	....	....	31.35	100	31.35	67	21.00	7
8. Calgary, Alta.[33]	85,000	64,073,418	100	..	Jan. 1	June 20	21.68	24.32	....	2.00	48.00	75	36.00	80	28.80	8
9. Edmonton, Alta.[34]	74,928	65,704,230	100	..	Jan. 1	June Aug. Oct. Dec.	24.70	22.80	....	....	47.50	75	35.63	85	30.28	9
10. London, Ont.[35]	71,310	84,600,097	100	..	Jan. 1	June 18 Aug. 18 Oct. 18	21.07	13.83	....	....	34.90	100	34.90	70	24.43	10
11. Windsor, Ont.[36]	70,031	81,814,225	100	..	June 15	Oct. 15	19.31	16.69	....	....	36.00	100	36.00	60	21.60	11
12. Halifax, N. S.[37]	65,000	56,770,810	100	..	May 1	May 1 Sept. 1	22.60	11.10	....	.90	34.60	100	34.60	80	27.68	12
13. St. John, N. B.[38]	60,000	52,890,250	100	..	Jan. 1	Aug. Sept. Oct.	9.20	12.00	....	7.20	28.40	100	28.40	100	28.40	13
14. Regina, Sask.[39]	60,000	61,680,760	100	..	Jan. 1	June 30 Dec. 31	19.55	18.84	....	1.41	40.00	58	23.20	100	23.20	14
15. Saskatoon, Sask.[40]	45,000	33,680,676	100	..	Jan. 1	July 31	15.77	25.00	....	1.63	42.40	87	36.90	80	29.52	15
16. Victoria, B. C.[41]	42,000	54,967,270	100	..	Jan. 1	Aug. 15	28.31	12.19	....	....	40.50	100	40.50	73	29.57	16
17. Three Rivers, Que.		(Not reporting)														17

* Estimated.

[1] *New York.* The assessed valuation is exclusive of $914,920,340 of new dwellings exempted from local taxation until 1932, but assessed for state tax. The official computation gives a single rate for city, school and county purposes, the separate rates shown being in proportion to appropriations. Varying rates are levied on the several boroughs for local improvements, the rate shown being that for Manhattan borough. The estimated ratio of assessed to true value is based upon the state equalization table.

[2] *Chicago.* The figures given are for 1928 valuation and tax levies, payable in July, 1930. The rate includes sanitary district and south park district (central business section and greater portion of south side) rates. Rates in other parts of the city are somewhat higher or lower because of variations in park taxes.

[3] *Philadelphia.* The city rate includes the cost of county government, which is consolidated with the city. The rates given are on city realty, comprising 95.4 per cent of all realty; suburban realty (4.3 per cent of all realty) is taxed at two-thirds, and farm realty (.3 per cent) at one-half the rate on city realty—except that property in independent poor districts (having local poor taxes of 30 to 40 cents per $1,000 valuation) is further relieved from such poor taxes. Money at interest and vehicles to hire, comprising the personalty, are taxed at 4 mills. There is no state tax on property subject to local taxation in Pennsylvania.

[4] *Los Angeles.* City tax rate includes a tax for flood control, $1.00, and metropolitan water district, 30 cents. There is no state tax on real estate in California.

[5] *Cleveland.* School tax rate includes library, $1.13.

[6] *Baltimore.* There is no county rate. There are four rates of taxation on real property—full, suburban, rural and new annex; all rates less than full rate are increasing annually at 6, 3, and 2 per cent respectively, which will place them on a par with the full rate in 1938. Personal property of manufacturers is exempt.

[6a] *Pittsburgh.* The city rate upon improvements, assessed at $586,881,070, is one-half the $26 rate upon land, assessed at $576,882,690, the weighted average rate being shown. Machinery is exempt from taxation.

[7] *Washington.* Appropriations for the District of Columbia are made by Congress, a lump sum of $9,500,000 thereof being paid by the federal treasury. There is a single rate for all purposes, the school rate reported being estimated. Intangible personalty, $345,188,143, not included in the valuation reported, is taxed at one-half of one per cent. Banks, trust companies and public service corporations are taxed at various rates on earnings or receipts.

[8] *Minneapolis, St. Paul, Duluth.* The Minnesota statutes provide for five classes of property, assessed at varying bases of true value: real estate (except unplatted) is assessed at 40 per cent; iron ore at 50 per cent; personalty, in three classes, is assessed at 10, 25 and 33⅓ per cent, respectively. The average of all is reported. Money and credits (not included in the valuation reported) are taxed at 3 mills on the dollar. The city rate in Minneapolis includes bonded debt for schools, $6.15, and for retirement of school employees, $1.45.

[9] *Kansas City, Mo.* The valuation given is for city tax purposes; the valuation used for school, county and state purposes is about one-fourth larger. The rates shown are adjusted to the city valuation basis. In addition, a $2.50 special assessment tax for park and boulevard maintenance is levied on land only, the assessed valuation being $138,413,000.

[10] *Atlanta.* The population reported is for the municipality of Atlanta, including, in addition to the city of Atlanta (to be known as the borough of Atlanta), population 270,367, six other areas. There is no separate school tax, the charter allotting 26 per cent of all revenues to schools; the rate is estimated. Assessment for county and state purposes is 70 per cent of the city valuation, which is estimated at a 70 per cent ratio.

[11] *Louisville.* Of the valuation reported, $27,850,117 of shares of stock of banks, trust companies and domestic life insurance companies is taxed $2.00 per $1,000 for city and $4.00 for schools. Unmanufactured agricultural products, $5,644,200, are taxed $1.50 for city purposes.

[12] *Portland.* The realty valuation includes total utility valuations of public service companies assessed by the state, 12.32 per cent; city rate includes dock, $2.20, and port, $2.60; school rate includes library, 84 cents, and $2.16 county school and $2.20 state elementary school levies, which are returned to the local school district.

[13] *Columbus.* Personalty includes $55,787,350 real and personal property of public utilities, which in Ohio is listed with personal property, most of it being real property but the amount cannot be separated.

[14] *Providence.* There is no county government in Rhode Island. The school rate is approximate, based upon statutory provision of 35 per cent of average tax collections for 3 years previous. There is a $4.00 per $1,000 tax in intangible personalty.

[15] *Syracuse, Norfolk, Chattanooga, Fall River.* The city rate includes school, the separation not being reported.

[16] *Dayton.* The city rate includes $2.17, and county rate 26 cents, conservancy.

[17] *Richmond.* The cities of Virginia are autonomous, having no county government. There is no state tax on property subject to local taxation. The city rate includes $1.50, special street bonds, levied against real estate only.

[18] *Scranton.* The city rate upon improvements, $72,179,340, is one-half the rate of $24.65 upon land, the weighted average rate being reported.

[19] *Miami, Tampa.* Rates for school, county and state are levied upon separate valuations, but are adjusted to city valuation reported. A city ordinance of Miami prescribes 50 per cent of true cash value, but this adjustment is made in the ratio column.

[20] *Wilmington.* Of the total assessment, $2,890,800 pays one-half the full rate for city and schools; and $2,406,700, public service corporations, pays a rate of $39.50 for city and $5.50 for school purposes. There is no state tax.

[21] *Peoria.* The city rate includes sanitary district, $3.64, and park district, $2.00.

[22] *Waterbury.* The city rate includes special park, 63 cents, special paving, 50 cents, and 1929 cash deficit, $2.00.

[23] *Sioux City.* Taxable values in Iowa are one-quarter of assessed values.

[24] *Cicero.* Data are for 1928, levy and collection being made in 1930 due to reassessment in the county.

[25] *Evanston.* The rates given are for 1928 levy, collected in 1930. The school and park rates vary for districts, the rates reported being for north park, school district 75.

[26] *Charleston, Jamestown, Oshkosh, Auburn, Newburgh.* County rate includes state, the separation not being reported.

[27] *Toronto.* Realty valuation includes 10.5 per cent business and 8.3 per cent income. The school rate given is public school; the separate school rate is $14.60.

[28] *Vancouver.* Land, assessed at $167,403,121, is taxed at 100 per cent; improvements, $90,632,440, are assessed at 50 per cent. The gross tax rate is $43.82, but is reported $39.88 because over 90 per cent is paid before the expiration of a 9 per cent discount period.

[29] *Winnipeg.* Land is assessed at 100 per cent; buildings are assessed at 66⅔ per cent; the ratio of rateable assessment to total valuation is 79.21 per cent. The province tax is reported under "State."

[30] *Hamilton.* Realty valuation includes 13.5 per cent business and income.

[31] *Quebec.* The city rate includes $5.00 for water paid by $45,948,860 which is exempt from general taxation, and $2.90 for improvements.

[32] *Ottawa.* Realty valuation includes 16.13 per cent business and income.

[33] *Calgary.* Land, comprising 47.56 per cent of the reported valuation, is assessed at 100 per cent; buildings, comprising 50.05 per cent of the total valuation, are assessed at 50 per cent; 2.39 per cent of the valuation is franchises, assessed at 100 per cent.

[34] *Edmonton.* Land, valued at $36,942,350, is assessed at 100 per cent; commercial buildings, assessed at 60 per cent, total $12,939,040, and private dwellings, assessed at 54 per cent, total $15,822,840.

[35] *London.* Realty valuation includes 14.4 per cent business and income.

[36] *Windsor.* Realty valuation includes 10 per cent business and income.

[37] *Halifax.* Realty valuation includes 19.1 per cent business and income.

[38] *St. John.* Realty valuation includes 42.8 per cent business and income.

[39] *Regina.* Realty valuation includes 12 per cent business and income. Land, valued at $34,886,340, is assessed at 100 per cent; buildings are assessed at 30 per cent; the ratio of total taxable to true value is 58 per cent. School tax includes collegiate, $3.82. The separate school rate is $8.29 higher than the public school rate reported.

[40] *Saskatoon.* Land is assessed at 100 per cent, improvements at 60 per cent.

[41] *Victoria.* Land, valued at $24,966,790, is assessed at 100 per cent; improvements are assessed at 50 per cent; the ratio of taxable to true valuation is 72.7 per cent.

RECENT BOOKS REVIEWED

Eightieth Report of the Public Schools of the State of Missouri. (A Preliminary Report of the Survey of the Public Schools of Missouri.) Division of Field Studies, Teachers College, Columbia University, November, 1929. 255 pp.

Publicly Supported Higher Education in the State of Missouri. Division of Field Studies, Teachers College, Columbia University, November, 1929. 575 pp.

These two companion reports issued as the Eightieth Report of the Public Schools of the State of Missouri constitute a preliminary report of educational institutions in the state of Missouri made by the Division of Field Studies, Institute of Educational Research, Teachers College, Columbia University.

Volume I concerns itself with elementary and secondary educational conditions throughout the state. Volume II covers in a most intensive manner the field of higher education within the state. These two volumes are of extreme interest in that they give something more than a bird's-eye view of educational conditions in one of the larger central states. Not only do they point out conditions as they exist, backed by much statistical material, but they suggest new methods of procedure so that these conditions may be changed to conform to better practice.

The report on elementary and secondary education covers a general description of public education in the state. The report on higher education discusses in great detail education of both professional and general types in the University of Missouri, the Missouri School of Mines and Metallurgy, the state teachers colleges, the municipal teachers colleges, and the publicly supported junior colleges. It is even more complete in its treatment than the discussion of elementary and secondary education.

It is a cause for regret that these two reports were of necessity issued as public documents inasmuch as attractiveness of form, excellence of type, and other mechanical inducements for study are not present. Nevertheless, the student who does not mind small type, lack of illustrations, and other aids to reading, will be richly rewarded, as here we have a handbook of education as it exists today and as it should tomorrow in one of our larger states.

H. E. Akerly.

⁂

Problems in Contemporary County Government. By Wylie Kilpatrick. The Institute for Research in the Social Sciences. University of Virginia, 1930. 666 pp.

County government is no longer the dark continent of American government; it is no longer an unexplored wilderness. In one state after another its processes have been exposed. Wylie Kilpatrick now lays bare the innermost secrets of county administration in Virginia. Moreover, he has turned his searchlight on other states, and the result is a timely and comprehensive appraisal of the whole field of county government.

The title of the book suggests a topical study in contemporary government; the sub-title—An Examination of the Process of County Administration in Virginia—suggests a regional study. The book is both. While the comparative tables deal with Virginia counties the observations of the author are nation-wide.

The outline of the book is superb. The twenty-four chapters are grouped into seven parts, a part being devoted to each of the seven categories into which, in the opinion of the author, the problems of county government fall. These are the problems of function, finance, area, personnel, physical plant, relationship, and management. The list of categories does not suggest the range of topics discussed. They include such diverse subjects as city planning, reforestation, courthouse architecture, consolidation of counties, school libraries, prison farms, segregation of revenues. In discussing each problem the author does not deal in generalities but draws on the experience of half a dozen states.

The volume makes a three-fold contribution: (1) It presents an array of comparative facts and figures about Virginia counties and their governmental practices which ought to be of inestimable value to local administrators and to the state legislature. These facts ought to form the basis for further gains in a field in which Virginia is already a leader. (2) It presents the experience of counties all over the country in wrestling with contemporary problems. (3) It analyzes and offers constructive suggestions in respect to many of the unsolved problems of local administration.

The appeal of the book is its breadth of scope, its freshness of viewpoint, and its dynamic quality. It introduces problems of recent origin; it opens up new fields for investigation. It makes the reader feel that the county is not a dying institution but that it is on the eve of its greatest development. County hospitals, county libraries, county engineering, county planning, county management, are terms that have a distinctly modern ring. In his analyses the author is penetrating and original; he may at times be too dogmatic. Finally, the book appeals because it is not devoted mainly to the structure of government but rather to its operation. In describing practices it mentions places and names.

One might criticize the volume on the ground that it is too big; its 666 pages will scare some would-be readers. It is possible that much of the detailed material relative to Virginia counties could have been put in a separate volume for Virginia readers. In many instances both description and analysis appear unnecessarily minute. Undoubtedly the book could have been condensed without reducing its usefulness. Nevertheless, it is not wearisome; every chapter is intensely interesting. The book contains a wealth of information and suggestion and is a welcome addition to the lengthening shelf on county government.

Paul W. Wager.

⁂

Twenty-Third Annual Report on the Statistics of Municipal Finances. For City and Town, Fiscal Years Ending Between November 30, 1928 and March 31, 1929. The Commonwealth of Massachusetts, Department of Corporations and Taxation, Division of Accounts. 299 pp.

This report is a complete repository of statistical data on the finances of Massachusetts municipalities. The three principal parts of the report are devoted respectively to the finances of the 39 cities, the 79 towns having a population of 5,000 or over, and the 237 towns having a population less than 5,000. The sections under Part I dealing with cities are headed as follows: Summary of Financial Transactions; Receipts from Revenue; Payments for Maintenance and Interest; Indebtedness; Cash Balances. Parts II and III do not include separate sections on Revenue Receipts and Expenditures, since these are adequately covered in the Summary of Financial Transactions. In addition to the three main subdivisions of the Report, there is a special section of 17 pages which presents analysis tables. While the letter of transmittal includes a few brief comments on the tabulations presented, the report as a whole is seriously deficient in the way of interpretative matter. Massachusetts authorities deserve high praise for collecting these statistics, since they are an excellent source material for the student of municipal institutions. It is deeply to be regretted that more states do not emulate the example of Massachusetts.

Martin L. Faust.

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MUNICIPAL REPORTS

Kenosha, Wis. *Eighth Annual Report for the Fiscal Year Ending December 31, 1929.* William E. O'Brien, City Manager. 101 pp.

Significant of this report is the fact that it contains an account of the activities of all the city departments including the public schools even though the schools are fiscally independent of the general municipal government. The main criticism is its length and no table of contents. If it were shorter one could more easily overlook the omission of the contents page, but when one must look through one hundred pages to find the subject of his immediate interest the enthusiasm is very likely to wane. There are many tables giving the number of feet of water mains laid on certain streets, sewer lines constructed and other similar data that could have been omitted in order to bring the report down to moderate size. Excellent charts and well-chosen pictures are distributed throughout the text with good discrimination. It easily surpasses the report for the preceding year.

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Westerville, Ohio. *Annual Report for the Year 1929.* L. G. Whitney, City Manager. 30 pp.

Westerville for the fourth year in succession has issued an annual report worthy of a review in these pages. The clear, direct, simple style used in previous issues is again evident. This report contains some clear charts, several good pictures and is well-balanced throughout. City managers of other small towns would profit by looking through its pages. It is of interest to note that of the total tax rate of $21.50 for 1929 the state of Ohio received $3.10; the county of Franklin then took $4.52; Blendon Township seemed satisfied with a mere $2.08, while the school district struggled along with $7.30; and the little old town itself received the balance of $4.50 and used part of it in getting out a very attractive and informative report.

Clarence E. Ridley.

The University of Chicago.

REPORTS AND PAMPHLETS RECEIVED

EDITED BY E. K. OSTROW

Librarian, Municipal Administration Service

Accelerated Tests of Asphalts.—O. G. Strieter. Bureau of Standards, Washington, D. C., August, 1930. 7 pp. This paper, which is a reprint from the August, 1930 Bureau of Standards *Journal of Research*, describes the equipment and methods developed at the National Bureau of Standards for weathering tests of asphalts; discusses the results obtained by its use; and suggests applications of this method in the solution of problems encountered in asphalt technology. (Apply to the Superintendent of Documents, Washington, D. C. Price, 10 cents.)

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Pennsylvania Progress; State Finance Number.—Pennsylvania State Chamber of Commerce, Harrisburg, Pennsylvania, October, 1930. 26 pp. This issue of *Pennsylvania Progress* is devoted to an exposition of state finances written by Arthur P. Townsend, budget secretary, and William A. Schnader, special deputy attorney general of Pennsylvania. The composition of the taxpayer's dollar for the first biennium of Governor Fisher's administration is analyzed, showing how proportionate parts of the dollar were spent for particular state functions of services. Several tables show in detail the receipts of the state government for the fiscal years 1927–1928, 1928–1929, and 1929–1930. A description of the state's custodial funds is also given. (Apply to the State Chamber of Commerce, Harrisburg, Pennsylvania.)

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Twenty-second Annual Report of the Hydro-Electric Power Commission of Ontario.—Toronto, 1930. 458 pp. "This report covers all the commission's activities and also embodies the financial statements for the year 1929 of the municipal electric utilities operating in conjunction with the various systems of the commission and supplying electrical service to the citizens of Ontario. Dealing as it does with a multiplicity of activities relating to several electrical systems obtaining power from thirty-two hydro-electric plants operated by the commission, supplemented by power purchased from other sources, and recording financial and other data relating to the individual local municipal electric utilities, the annual report presents a large amount of statistical information, much of which must, of necessity, be of a summary character. The financial statements, the statistical data and the general information given, however, are so arranged and presented as to convey a comprehensive outlook on the features of the commission's operations. Not only does the report record the progress made during the past year, but gives, in addition, certain cumulative results for the various periods during which operation has been maintained in the respective municipalities." (Apply to the Hydro-Electric Power Commission, 427 Confederation Life Building, Toronto, 2, Ontario. Price, $2.00.)

*

Fees and Taxes Charged Insurance Companies under the Laws of New York State.—Insurance Department, Albany, New York, 1929. 65 pp. This report summarizes the requirements of the New York statutes relating to fees and taxes payable by insurance corporations together with abstracts of letters received from the supervisory insurance officials of other states and territories of the United States. It presents, in detail, the fees, taxes, deposits, advertisements and other requirements of other states, applicable to New York insurance corporations, during 1929. (Apply to Albert Conway, Superintendent of Insurance, Albany, New York.)

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Housing in Philadelphia.—Bernard J. Newman, Philadelphia, Pennsylvania, 1929. 48 pp. The annual report of the Philadelphia Housing Association deals with the problem of the blighted area, minor street and alley housing, new dwelling construction, demolition of buildings, house rents, legislation, insanitation, and public education. (Apply to the Association, 311 South Juniper Street, Philadelphia, Pennsylvania.)

*

Uniform Building Code, 1930 edition.—Prepared by the Pacific Coast Building Officials Conference, Long Beach, California. 271 pp. "The Pacific Coast Building Officials Conference in 1927 adopted a carefully prepared uniform building code, based on nationally recognized standards of construction and safety. This met with a considerable degree of use in cities on the Pacific Coast and elsewhere." The current edition is a further refining and bringing up to date of the 1927 edition. To date, seventy-four cities have adopted this code. (Apply to the Conference, 19 Pine Avenue, Long Beach, California. Price, $1.00.)

*

Annual Report of the Bureau of Health, Trenton, New Jersey, 1929.—68 pp. (multigraphed). For the first time, the bureau of health has distributed its annual report; this year they attempted "to devise a report which would be more than a mass of statistical data, but to have it in as brief, concise and readable form as possible and with such information as might be desirable for all those people who are interested in public health work." (Apply to the Bureau of Health, Trenton, New Jersey.)

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Eleventh Annual Report of the Ministry of Health, 1929–1930.—London, England, 1930. 277 pp. The subjects dealt with in this report are public health, which includes housing, food inspection, sanitary administration, and maternity and child welfare; local government and local finance; administration of the poor law; and national health insurance and contributory pensions. A separate section is devoted to the Welsh Board of Health. (Apply to H. M. Stationery Office, Adastral House, Kingsway, London, W. C. 2.)

Manual, County of Wayne, Michigan.—Prepared by the Department of Systems and Reports under the direction of the Board of County Auditors, Detroit, Michigan, 1930. 366 pp. The purpose of this book is to furnish the public with a comprehensive history and résumé of governmental activities of Wayne county since its origin. "An attempt has been made to furnish a complete compendium of current information concerning the administrative, legislative and judicial functions of the county government, with a brief summary discussion of the organization and activities of the state government as well as the township, city and village governments within the county." (Apply to the Board of County Auditors, Detroit, Michigan.)

*

Twenty-fourth Annual Report of the Board of County Road Commissioners, Wayne County, Michigan, 1929–1930.—233 pp. This well-illustrated report covers such topics as construction of new roads, road widening, highway service and maintenance, testing of materials used in road and bridge construction and maintenance, roadside development, bridges, grade separation, recommendations for a road tax, safety engineering, proposed superhighways, Wayne county airport, and Wayne county parks and parkways. (Apply to the Board, 3800 Barlum Tower, Cadillac Square, Detroit, Michigan.)

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A Survey of the Legal Status of Women in the Forty-eight States.—National League of Women Voters, Washington, D. C. Revised edition, March, 1930. 288 pp. The object of this survey, as stated in the foreword to the first edition is "to enable the Committee (on the Legal Status of Women) to place in the hands of the state officers suggestions concerning legislation needed in their own states." The authors thought it better to publish the material by states rather than by topics or questions as was done before. For this reason the material has been summarized more fully than previously. (Apply to the League, 532 Seventeenth Street, N. W., Washington, D. C. Price, 60 cents.)

JUDICIAL DECISIONS

EDITED BY C. W. TOOKE

Professor of Law, New York University

Regulation of Street Traffic—Licensing of Automobile Drivers.—Injunction against Enforcement of a Void Ordinance.—The limitations upon the power of a city to revoke licenses issued to drivers of automobiles came before the Supreme Court of Virginia in *Thompson* v. *Smith*, 154 S. E. 579. The plaintiff brought a bill to enjoin the defendant, the chief of police, from interfering with his operation of a private automobile upon the streets of Lynchburg, and to restore to him his permit, which the defendant had revoked. The ordinance relating to the issuance of permits prescribed the qualifications of a driver, but purported to give to the chief of police power "to revoke the permit of any driver who, in his opinion, becomes unfit to drive an automobile on the streets of said city with the right of the holder of such permit to apply to the judge of the Municipal Court to have his permit reinstated." The ground taken by the plaintiff was that this portion of the ordinance was void as delegating legislative power to an administrative officer. The defendant claimed that the city under its delegated legislative power could prescribe any reasonable condition upon the right granted to one to do any act that came within the scope of its power to regulate.

The court in rejecting the contention of the defendant points out that this doctrine has no application to permits issued for the purpose of regulating the exercise of the common right to operate a private automobile on the streets of a city in the usual and ordinary way to transport the driver's person and property. While a certain discretion may be vested in an administrative officer to enforce such regulations, such discretion must be ministerial in character and the grounds for its exercise be prescribed by ordinance. In other words, every ordinance in the exercise of police powers must prescribe the standards which are to control in the administration of the law.

The court further held that the bill for an injunction was a proper remedy to protect the fundamental right of a person to travel on the public highway. Neither the alternative remedy of mandamus to compel the chief of police to restore his permit, nor to interpose after arrest the defense that the provisions of the ordinance are void, would be as complete and adequate as a suit for an injunction to protect the complainant from the interference with his common right by the officers of the city acting under color of a void ordinance.

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Zoning—Exclusion of Miniature Golf Course from Residence Districts.—A novel and somewhat timely question with reference to the application of zoning ordinances was recently presented before the Supreme Court, Westchester County, New York, in *In re Brebra Realty Corporation* (not yet reported, decided August 6, 1930).

The proceeding was an application for a peremptory mandamus to compel the issuance of a permit which had been refused, and the case was submitted for a decision upon the sole question of law as to whether the erection and maintenance of a so-called "miniature golf course" is permissible in residence C districts under the zoning ordinance of the city of White Plains.

The zoning ordinance in question provides that no building or premises in residence C districts shall be used except for certain specified purposes, the only purposes of possible application in the instant situation being that of a playground, public recreation building or golf course. The court was therefore called upon to determine whether a miniature golf course could be classified as falling within any one of the permitted uses.

By the stipulation under which the case was submitted a miniature golf course was defined as:

> An amusement place erected on a parcel of land usually an acre or less in extent consisting of tees, fairways, usually not more than 20 yards in length, and putting greens, upon which persons use golf clubs in striking or putting golf balls from one tee to the next putting green and cup, which amusement place is open to the public upon the payment of a playing fee.

Upon the ground that a playground and public recreation building, as the terms are used in the ordinance, denote places for public recreation constructed and maintained at the public expense for the use of the public and to which no admission is charged, the court concluded that a miniature golf course for which a playing fee is charged is obviously not covered by these words. With reference to the remaining exception in the zoning ordinance as to golf courses the court was of the opinion that there was no basis for the petitioner's claim to a permit, as the use which he proposes to make of the premises will not constitute a golf course and the game played thereon is not golf.

The court in substantiating this conclusion and in order to set at rest any doubt as to the distinction between the two games expresses itself as follows:

> The term "golf course" is commonly used to indicate a course of either nine or eighteen holes, of an average length of approximately 333 yards each, upon which the game of golf may be played during daylight hours. While such golf course may be either public or private, the extent of the grounds necessary for a course, of either 3,000 yards or 6,000 yards, and the fact that golf can be played only during daylight hours, as well as the nature of the game itself, insure comparative quiet in the playing of the game, the absence of any considerable crowd and complete disuse of the grounds during sleeping hours. It is concluded that the use which the petitioner proposes to make of its property will not constitute a golf course within the meaning of the zoning ordinance.

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Consolidated Municipality—Population of the City of Atlanta.—In a memorandum opinion handed down October 28, (*U. S. ex rel. Atlanta* v. *Steuart,* U. S. Daily, November 3, 1930), the District of Columbia Supreme Court refused to issue a writ of mandamus to the director of the census of the United States, requiring that officer in all lists, bulletins, etc., to be issued by him to give as the population of Atlanta that of the consolidated municipality created by the legislature of Georgia in 1929, including besides the old city (now borough) of Atlanta several outlying towns with a population of some ninety thousand people. The director of the census had based his refusal to grant the prayer of the petitioners upon his finding that the municipality of Atlanta possessed none of the qualities or characteristics of any other city in the United States, that the officials had no governing power and that the boroughs still retained all their governmental powers unimpaired.

That these findings seem to be supported by the facts can be readily seen by reference to the statute of 1929, which incorporated the old city of Atlanta and five other cities together with certain outlying areas as the municipality of Atlanta with officers who are to exercise the powers conferred upon the municipality. These include the power to zone and enact building regulations in the districts not already under city government and to advise the constituent boroughs on matters of general sanitation. The purpose of the act looks forward to the preparation and submission to the state legislature of a consolidated charter not earlier than 1939. No ordinance-making power for the entire territory is given and the vital powers of taxation and eminent domain are lacking. While several municipalities may exist on the same territory, provided no two of them exercise the same powers, it can hardly be said that a municipal corporation is created, where the incorporated local agency can exercise over all the territory within its limits no single one of the governmental powers usually delegated to municipal corporations.

The District Court, however, refused to base its decision on the above grounds, but held that under the federal statute no ministerial duty rests upon the director of the census to list separately the population of cities; that his power to do so is discretionary, and, therefore, is not subject to control by mandamus. The case is of interest mainly in calling attention to the plan adopted by the legislature of Georgia to prepare the people of Atlanta and its environs for a regional government that will take care of the common local needs and in the meantime exercise an actual control over the otherwise unincorporated areas. Whether or not the consolidated territory is to be accepted as a city at the present time by the federal agencies is of little importance, in view of the far reaching significance of this experiment for the organization of the greater city which is to be realized in the near future.

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Streets and Alleys—Injunction to Protect the Rights of Abutting Owners.—In *Gerstley* v. *Globe Wernicke Co.,* 172 N. E. 829, the Supreme Court of Illinois reversed a decree denying the prayer of the plaintiff that the defendant be required to remove a bridge erected across a public alley connecting two of its buildings. The bridge was a permanent structure erected under a revocable license which called for an annual payment of

$500 to the city. The plaintiff, the owner of adjoining property showed that the structure was built in 1920 to replace an old bridge and that it greatly lessened the amount of light that formerly was available for the buildings upon his property.

The defendant maintained that the ordinance of the city authorizing the structure was within the powers of the city and that the use of the bridge was primarily in the interest of the public in substituting an overway passage for traffic that would otherwise congest the alley. The court recognized this incidental advantage, but held that such use could not be a street purpose unless it was open to the public at large. In the absence of a statute expressly authorizing such an invasion of a public way, the city was without power to pass an ordinance that thus infringed upon the public right. As to the private rights affected, clearly they could be taken only by virtue of a statute providing for adequate compensation to be determined by due process.

No claim was made by the plaintiff that the bridge which was in use prior to the existence of the permanent structure sought to be enjoined infringed upon any public or private rights and the court therefore directed that a decree be entered requiring the removal of the new structure, but giving the defendant the right to replace it with a bridge of the same kind and character as the original structure. For other cases involving similar facts, see note published in the June, 1927, number of this Review (Vol. XVI, p. 407).

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Zoning—Right to Continue Existing Use.—The General Laws Massachusetts (c. 40, sec. 29) provide that a zoning by-law shall not apply "to the existing use of any building" at the time of its enactment. A zoning by-law of the town of Lexington provides that any building or part of a building that at the time of its enactment is devoted to a non-conforming use "may continue to be used for the same purpose or for purposes not substantially different." The effect of these provisions was recently considered in *Town of Lexington* v. *Bean, et al.*, 172 Atl. 867, in an action to restrain the owner of a building in a restricted district and her tenant from continuing to carry on therein a garage for the repair of cars. The peculiar fact in the case was that the husband of the owner of the building who operated a large trucking and transportation business had used it for many years as a repair shop for his own vehicles and permitted persons who stored cars in other parts of the premises also to use it for the repair of their cars. The use existed prior to the adoption of the first restrictive by-law in 1924 and had continued down to a recent date, when the owner rented the shop to the defendant Perkins, to be used as a commercial repair shop. The building in question was about 24 x 30 feet and part of premises which included a dwelling house, occupied by Mrs. Bean and her family, and a barn and two sheds. The defendant Perkins leased the shop in March, 1928, and the extent of his business was the repair on the average of one car a day.

The lower court dismissed the bill, but upon appeal the Supreme Judicial Court reversed the judgment below and ordered a decree entered enjoining the defendants from using the building as a general automobile repair shop. The court thus holds that the use of the shop by Perkins for a commercial garage is "substantially different" from the use of the shop by the owner residing on the premises as incidental to his other business. The same reasoning would of course apply to a separate commercial use by the owner himself. A distinction is thus drawn between the use itself and the purpose of the use. It is difficult to see that the new use, being in no degree more extensive than the prior use, imposes any additional risk upon the community. But the court holds that the distinction between a commercial use incidental to private use and a purely commercial use is fundamental. Owing to the small interests involved, it is probable that this decision will not be appealed. In view, however, of the more generally accepted rule that the proper test is the effect of the use upon public safety, health, morals and public welfare, it seems that the construction of the statute and of the ordinance adopted by the court does not conform to the constitutional limitations placed upon the states, as interpreted by the Supreme Court (*Nectow* v. *Cambridge*, 277 U. S. 183; *State of Washington* v. *Roberge*, 278 U. S. 116).

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Special Assessment Bonds as a Direct Obligation of the Municipality.—The Supreme Court of Florida in *Klemm* v. *Davenport*, 129 So. 904, sustained a writ of mandamus to the officers of the city of Clermont, requiring them to levy a general tax to pay the principal and interest due on special assessment bonds issued for public improvements. This decision effectually answers any suggestion that the courts of that state may directly or indirectly countenance any evasion of the obligations entered into by its municipalities.

The general statute under which were carried on their ambitious street improvement programs some years ago provided that the municipalities might issue negotiable bonds up to seventy per cent of the cost of any such improvement; it also provided for raising funds by special assessment but the former power was in no wise limited by the method the city might adopt to pay off its obligations.

The law is well settled that a bondholder may enforce his right to payment by requiring the city officers to levy an ad valorem tax on all the assessable property therein, and that the holder of a special improvement bond is not limited to the fund raised by special assessment, unless the power of the city is thus strictly limited and the purchaser of the obligation is clearly made aware of such limitation upon his security by recitals on the face of the bond or in some other way (*U. S.* v. *Fort Scott,* 99 U. S. 152; *Insurance Co.* v. *Elizabeth,* 42 N. J. L. 235). The improvidence of pledging the general credit of the city for public improvements, therefore, is no defense to general obligations thus incurred.

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Powers—Contracts—Expenditures for Labor on Airport.—The establishment of a municipal airport by the city of Utica has not been without its legal tribulations. The first difficulty encountered was the holding-up of the Utica airport program until the courts of the state had affirmatively decided (*Hesse* v. *Rath,* 249 N. Y. 426, 164 N. E. 342) that the establishment of a municipal airport was a proper public and city purpose for the expenditure of public funds (see National Municipal Review, Vol. XVIII, No. 4, April, 1929, pp. 263, 266).

The latest litigation with reference to this airport was presented in the recent case of *Buckley* v. *Pugh,* (137 N. Y. Misc. Rep. 594, 244 N. Y. Supp. 524). The proceeding was for a peremptory writ of mandamus to compel the defendant, as comptroller of the city, to perform such acts as may be required to effect payment of a certain pay roll which included wages due to the petitioner for labor, as an employee of the department of public works upon work in connection with the development of the municipal airport. The labor in question was performed in accordance with and under the authorization of a duly enacted ordinance, adopted by the common council in April, 1928, directing the commissioner of public works to proceed with the construction of the airport and to employ such labor, as may be necessary, the cost to be charged against the funds raised by bonds issued for such purpose.

The refusal of the comptroller to audit the pay roll in question or draw warrants for its payment was based upon the provision of the second class cities law (Section 120 as amended by Laws of 1920, c. 215), which requires in substance that all contracts for the performance of any work where the expense exceeds $500 shall be let to the lowest bidder unless by an ordinance duly adopted and approved it is determined to be impracticable to procure such work by contract. The comptroller's contention was that as the pay roll in question, including among other items the wage claim of the petitioner, exceeded $500 and as no ordinance as to "impracticability" had been passed he was without power to authorize the payment of the claims.

In overruling these objections and holding the second class cities law inapplicable so as to make the payment of wages thereunder illegal, Mr. Justice Lewis pointed out that there is a marked distinction between "contracts for the performance of any work" for the city or its officers, as referred to in the statute, and those for *personal services* which an officer or department head employs to carry out public work he has been directed to do. The construction put upon the statute by the court accords with the decisions in other states where a similar question has been raised and conforms to the settled practice in this state.

PUBLIC UTILITIES

EDITED BY JOHN BAUER

Director, American Public Utilities Bureau

PUBLIC UTILITIES IN THE STOCK MARKET

BY MARK WOLFF

Although common stocks generally showed the widest spread in years between their highs and lows in 1929, one group, public utilities, was outstanding not only for having shown the maximum spread (2.37 to 1) but also because the forty-seven stocks studied really constitute what should normally be the least speculative issues, and which should ordinarily show the least fluctuation of any group in the entire list.

Public utility stocks not only led in the 1929 advance, but also, by maintaining their gains the longest, gave the general market an appearance of strength. They not only were the backbone of the bull market, but also were leaders in the decline. In fact, it might be said that public utility issues both made and unmade the 1929 bull market.

LACK OF PUBLIC UNDERSTANDING

The wide fluctuation in public utility stocks was caused largely by a lack of understanding on the part of the investing and speculating public of the opportunities and limitations afforded by this class of security. There is no element of mystery surrounding public utility stocks which should have caused them to sell early in October, 1929, at more than 100 per cent higher than their price one month later. On the contrary, they are governed by definite principles, and there exist many yard-sticks of value that can be applied to such stocks. These should enable an investor to appraise utility issues closely enough as virtually to remove such stocks from the class of speculations and place them among the most conservative and highest class investments, not subject to wide fluctuations. Once the element of "merger" is entirely removed marketwise (and that has already been done to a large extent the past year), public utility stocks should ultimately furnish less speculative appeal than do railroads.

Public utilities are monopolies granted by public authority and by reason thereof are subject by regulation to limitations as to possible earnings. Unlike the unregulated industrial, a utility is theoretically allowed to earn only a fair return on the fair value of its property. For that reason, the economies effected through mass production, exchange of facilities or merger of units should ultimately, under strict regulation, be passed on to the consumer in the form of reduced rates. A further increase in earnings produced by the additional business stimulated at the lowered rates, as frequently happens, would only temporarily inure to the sole benefit of the common stock investor and, likewise, would ultimately be passed on to the consumer through further rate decreases. In the same way, benefits resulting from increased business, due to growing consumption resulting from increase in population or use of facilities, would also finally accrue largely to consumers rather than to investors.

Even though regulation has been at a low ebb during the past five or more years, this element must eventually be taken into account in appraising public utility securities. This is particularly true during periods of depression when

Editor's Note.—One of the chief causes of the stock market boom during 1929 and the subsequent crash was the extreme speculation in public utility stocks. There was complete disregard of the fact that public utility earnings are limited to a fair return. If adequate standards of regulation had existed, there would not have been the orgy of speculation, nor the subsequent collapse of market values, with the trail of ruin to masses of small investors.

In line with our general point of view, we are glad to present the following article, which has been prepared by an outstanding authority who has had intimate contact not only with public utility regulation considered from the public standpoint, but also with public utility investors. Mr. Wolff has appeared as rate expert for numerous municipalities in the past, and is now economist for a large Wall Street concern which is dealing with utilities entirely from the investor's standpoint.

political rate agitators are most effective. The nervousness engendered in stock market circles by the present New York electric rate hearings and the election of Roosevelt in New York and Pinchot in Pennsylvania seems to indicate a start in that direction.

The foregoing does not necessarily imply that the common stock of a public utility can never attain substantial value under strict regulation and with the alluring element of "merger" removed. On the contrary, under certain conditions, a liberal appraisal on the part of the regulating authority and a high proportion of bonded indebtedness, as well as of preferred stocks bearing rates of interest and dividends materially less than the rate of return allowed on the rate base by the regulatory authority, can conceivably increase the value of the common stock to such an extent as to make it reasonably worth a number of times original investment or cost.

HOW INVESTORS MAY APPRAISE A UTILITY

In appraising the value of a public utility, unlike that of an industrial, the investor should look for substantial book value, as the amount of that item bears some relation to the rate base. Along similar lines, preference should be given to those securities which have a high proportion of bonded indebtedness and preferred stock, where the prevailing rate of fair return exceeds the rate of interest and dividends paid on such securities. As an example in point, let us say the capital structure of a utility consists of $10,000,000 bonds bearing 5 per cent interest, $5,000,000 of 6 per cent preferred stock, and the balance $5,000,000 of common stock. By reason of the fact that reproduction cost at present (higher than actual cost) prices is given almost predominant weight, and that elements of intangible value not represented by actual investment are usually added, it might be safe to assume that the investment of $20,000,000 would be appraised at $25,000,000 by the rate regulators, or about 25 per cent higher than cost. At the rate of 7½ per cent fair return, the company would be allowed to earn $1,875,000 per annum, after all expenses and depreciation allowance. Out of this, 5 per cent interest would have to be paid on $10,000,000 bonds, or $500,000, and 6 per cent on $5,000,000 preferred stock, or $300,000, together $800,000. Assuming that under ordinary conditions a public utility stock is worth fifteen times earnings (many sold in 1929 at double and triple that ratio), the earnings of $1,075,000 per annum would be worth $16,126,000, or over three times par or investment. The reason for this is because the common stock gets the benefit of the differential between the higher allowed return and the rates borne by the senior securities, as well as any benefit of the increase in valuation over the actual investment which is usually given by rate regulatory authorities.

Although in the determination of rate base, commissions and courts have at times found a "fair" value as high as 50 per cent greater than original cost, only 25 per cent is used in the above computation to reflect present conditions and to compensate for recent decline in commodity prices, as well as allow for intangibles such as going concern value and some overheads usually not reflected in book costs, either because they do not represent actual investment or, if they do, were charged to operating expense and not capitalized on the books of the company. Should the decline in commodity prices persist and greatest weight continue to be placed on the cost of reproduction basis of valuation, the rate base can conceivably drop to a point where it would equal actual investment, or less, even after making allowances for increased value of land holdings in our largest cities. The writer believes that the actual investment in physical property of the New York Steam Company, for example, will prove to be greater than cost to reproduce when the pending Public Service Commission's valuation is completed.

It is also possible that prevailing interest rates would be reduced to such a low point as to influence the regulators to cut the rate of return. In that event, it is possible that the allowed rate of return might not exceed actual rates paid as bond interest and preferred stock dividends. Under such circumstances, it is likely that public utility common stock would be allowed to earn an effective rate of 6 per cent to 6½ per cent on equity value and that the reasonable value of the security at fifteen times earnings would approximate par or book value.

This would not necessarily be the stopping point in a decline, but the writer believes that, in the practical working out of things, it would be the minimum, at least in the case of water, gas, electric and telephone properties. Under such conditions, original cost, one of the elements of valuation, would, as the "investors' sacrifice," probably receive greater weight than does reproduction cost at the present time. It has not worked out that way as to traction properties, the securities of which have fallen into marked disfavor by investors. It is the writer's recollection that twenty-five years ago traction securities were quite as popular as gas and electric stocks are today, and there are many instances of present-day unconservative capitalization practices in this unregulated holding company and no-par stock age, very similar to the stock watering processes employed by traction security manipulators in the early nineties.

The thought that telephone, gas, electric and water utilities may conceivably sell for less than book value is presented here as a mere possibility, but not as a probability, because of the flexibility of principles governing valuation as well as the lack of visible competition for such utilities beyond the control of regulatory authorities, such as the private automobile furnished in the case of tractions.

RATIOS OF PRICE TO EARNINGS

Under all the circumstances, the writer is willing to accept as an absolute minimum the original cost or equity per share as the value and market price for such utilities under worst possible general economic stress. He is also willing to concede, collaterally, a price-earnings ratio of twelve times, at a minimum, with fair value under present conditions at about fifteen times earnings. Although forty public utility common stocks sold at an average of 26.3 times earnings in July, 1929, and in individual cases as high as fifty times and over, the investor who pays a ratio of more than fifteen times earnings for his stock must look well beyond current yield and present earnings for justification of his selection. Merger prospects and purchase for control might furnish a good temporary reason for a price higher than a ratio of fifteen times equity earnings from operations, but only to a reasonable extent, say eighteen times. In the case of holding companies, correction of earnings would, of course, have to be made for undistributed equities in net revenues of subsidiary operating companies if only actual dividends by the latter are counted as income by the holding company.

At this point, it might be well to consider the significance of price-to-earnings ratios because of their widespread use as a mechanical yard-stick and as a check on the reasonableness of market prices. The ordinary purchaser of a dividend-paying common stock usually has two objectives in mind—first, fair yield and second, enhancement of principal. In some cases, only one element is given prime consideration, notably in a non-dividend payer where, although ultimate income may be looked for, the motivating spirit behind the purchase is the expectation of enhancement in principal. But whether one or both of these elements exist, probably the most important test of the reasonableness of the purchase is to divide the price of the stock by the current annual earnings per share, the result being the price-earnings ratio. To this end, the following table has been prepared to show the effect of price-to-earnings at various ratios. The assumption is made here that a public utility company, whose fiscal policy is neither niggardly nor extravagant toward its stockholders, will ordinarily pay about two-thirds of its current income as dividends.

Effect of Various Price-to-Earnings Ratios

	10–1	12–1	15–1	18–1	25–1
Price of stock	$100.00	$100.00	$100.00	$100.00	$100.00
Earnings per share	10.00	8.33	6.67	5.55	4.00
Dividend (two-thirds of earnings)	6.67	5.56	4.44	3.70	2.67
Yield	6.7%	5.6%	4.4%	3.7%	2.7%

An analysis of the statements of forty principal utility companies shows that during the past year their average earnings were $5.25 per common share and average dividend disbursement $3.90, or about 75 per cent of earnings. Nevertheless, the writer employs in the above table the more conservative ratio of 66⅔ per cent of earnings as proper dividend, using the balance as a reserve for possible under-depreciation of existing physical properties. On this basis, the price-earnings ratio of 15 to 1 affords a yield of 4.4 per cent, which is neither too high nor too low, under existing conditions. A company setting up an inadequate amount for depreciation can, of course, show better net earnings than utilities whose policies in this respect are conservative and proper.

DEPRECIATION ALLOWANCE IMPORTANT

When judging the reasonableness of security prices, it is highly important to ascertain if the subject company has provided out of revenue, as a charge to operating expenses, a sufficient depreciation allowance to take care of retirement of fixed capital through wear and tear and obsolescence. In no form of enterprise is this principle more applicable than in public utilities, where it takes from $4 to $8 of fixed capital to produce each dollar of gross revenue. Some utility companies compute annual depreciation on the basis of the estimated life of the classified plant and equipment, using a separate individual rate for each class of property. Others base depreciation on production or sales, at so many cents a kilowatt hour of electricity or thousand cubic feet of gas. In certain cases, the allowance includes current maintenance, and the unused portion represents the annual allowance for depreciation, on the theory that the higher the maintenance the less the depreciation, and vice versa. Whichever method is used, a fair gauge of the adequacy of the resultant reserve is had by a comparison with fixed capital investment. The following table shows such comparison for the calendar year 1929 and, in one case, 1928, for five of the largest utility systems whose securities are actively dealt in.

Depreciation Allowances of Representative Utilities Compared

	Public Service of N. J.	*Standard Gas and Electric*	*United Gas Improvement*	*Consolidated Gas Co. of N. Y.*	*Associated Gas and Electric (1928)*
Plant and property, December 31	$578,466,124	$966,471,369	$565,171,003	$1,055,623,204	$242,091,175
Reserve for accrued depreciation	47,574,751	75,712,134	41,208,119	72,571,465	14,439,574
Per cent reserve to plant	8.22%	7.83%	7.29%	6.87%	5.96%
Annual depreciation	11,417,795	18,892,271	7,457,531	14,627,697	1,830,455
Per cent annual depreciation to average plant	2.02%	2.01%	1.47%	1.43%	.77%

When the accrued depreciation is compared with the probable average age of each property and the annual allowance with the average life of the composite plant elements of representative utility systems, it seems fairly certain that no public utility is so conservative as to set up excessive depreciation reserves. On the other hand, it is quite apparent that depreciation allowances should be taken into account in the selection of an investment portfolio, as certain public utility companies cannot go on indefinitely depreciating 20 to 50-year property on the basis of a 75 to 125-year life.

UTILITY STOCKS ON BETTER BASIS

At their individual highs for 1929 (various dates) the average price of forty-seven public utilities, as computed by the writer in his Hamershlag-Borg 687 Stock Price Index, stood at $120.28. At the general market 1929 high for this group, on September 7, the average was $107.32, while at the present writing, November 8, 1930, these same stocks are selling at an average price of but $50.55, which is only 42 per cent of their individual maxima for the prior year.

Using price-earnings ratio as a yard-stick to measure the decline, we find that on July 20, 1929, utility stocks were selling at 27 times 1929 earnings and that this ratio had dropped by November 8, 1930, to about 13½ times.

The following comparison of annual depreciation allowance shows the percentage of gross revenue to plant and the amount of plant necessary to produce a dollar of revenue for these five systems. It also shows, primarily, the relation between annual depreciation allowance and gross revenue.

Depreciation Allowance and Gross Revenues Compared

Gross revenue	$137,086,707	$172,762,748	$102,228,411	$222,524,049	$32,357,114
Per cent gross revenue to plant	23.69%	17.88%	18.09%	21.08%	13.37%
Plant inventory per $1 gross revenue	$4.22	$5.59	$5.53	$4.74	$7.48
Per cent annual depreciation to gross revenue	8.33%	10.94%	7.29%	6.57%	5.66%

MUNICIPAL ACTIVITIES ABROAD

EDITED BY ROWLAND A. EGGER

Australian Municipalities and Unemployment Relief.—The government of Victoria has recently made an offer to local authorities within its area to meet local expenditures pound for pound for projects undertaken in relief of unemployment. The municipalities are generally unable to meet this offer, and have addressed a memorandum to the minister of works explaining their reasons:

1. Most councils have no surplus moneys for such purposes.

2. Councils will, in the future, inevitably be seriously inconvenienced financially, owing to the reduction in the amount received for rates in the current year and the reduction in valuation for next year.

3. The nature of the works suggested by the government involve maintenance to be met wholly by the council.

4. The basis of the offer is inequitable, as councils must meet immediate costs of material and supervision.

There can be little question of the incapacity of the metropolitan area councils to meet the conditions laid down by the government. The recent Australian finance act gives the government additional revenues, but a study of the incidence of the taxes from which they result indicates an additional demand on real property ratepayers. The councils are uniformly of the opinion that the funds procured by the central government for unemployment relief should be raised by income taxation.

Acute chronic unemployment has forced values down, depleted the capacity of local ratepayers even to maintain present construction programs, and made impossible any appreciable aid to the government by the local councils in unemployment relief. The Northcote council, for example, from its always nominal revenues has this year lost 5,000 pounds due to depressed values.

The original proposal made by the government carried severely restrictive provisions in order to prevent the financing of any local works which could be carried out with local funds from being financed under the joint method. The government was naturally interested in seeing the greatest possible number of projects undertaken, and the largest possible number of persons needing employment put to work. The proposal was patently made as an omnibus proposition, without inquiry into the peculiar local conditions and necessities which might permit or prohibit councils in bringing themselves under the terms of the subvention.

The total result of the subvention has been in many cases depreciable. Some councils, due to the intense pressure brought to bear upon them by laborers' organizations, have launched their municipalities upon construction programs which are unnecessary, and which cannot but result in severe economic losses to the community. The promise of governmental subvention has lent the color of wisdom to these proposals. As a matter of fact, however, many municipalities have found themselves making contributions totaling over double the central grant. The employment of casual labor, for example, has made the projects much more expensive in many cases than was anticipated. And it may be set down as a corollary that public projects undertaken in relief of unemployment will tend to draw an extremely large proportion of casual and inefficient labor. Many councils expressed the opinion that they were getting not greater than fifty, and in many cases not more than ten, per cent efficiency from the labor utilized in the construction of relief projects.

While the type of labor available for such construction projects varies with precedent economic conditions, the conditions revealed here do throw new light upon the accepted doctrine that has been advanced by our own national administration, that local authorities and private citizens should engage in construction during depression. It is entirely possible that the dole, discounting its deplorable sociological effect, conceivably might be cheaper than construction with incompetent labor. Factors of technological unemployment, resulting from rationalization of technique which the economic depression has precipitated, probably place our own situation in a slightly different category, but even this is problematical.

There are difficulties, in fact, in the proposals from Washington of which the administration seems unaware. And since it seems entirely probable that there will be much more unemployment, and an appreciable extension of the circumscription of its direct effect, the experience of countries in which it is already acute may be investigated with much profit.—*The Australian Municipal Journal*, July 15, 1930.

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Note on English Unemployment Grants.—Official circles generally, and particularly local government authorities, have been following closely and critically the English administration of unemployment insurance in recent months. Another aspect of governmental activity in the alleviation of hardships incident to a labor surplus has gone almost unnoticed.

Probably the single compensating feature of that most enervating and disastrous experiment in English social life—the dole—has been the efforts of Whitehall and the local government authorities, working conjointly, to create opportunities for labor and self-support. In pursuance of this program many joint schemes have been inaugurated, and several special companies chartered by Parliament. The second part of the development (loan guarantees and grants) act of 1929 made the local authorities the responsible agency in the administration of the projects in pursuance of which Parliamentary appropriations were made. In brief, over 26 million pounds have been pledged to projects, primarily non-trading local institutions and not immediately remunerative, of which over 14 million are derived from central subvention.

Of the more important companies chartered in pursuance of this legislation, probably foremost is the Seaham Harbor Dock Company. This company received 75,000 pounds from the treasury under the trades facilities act of 1924, and the Unemployment Grants Committee agreed to meet a portion of the interest charges on the unsecured loans which had been made to the company for the balance of the cost of construction. The question arose in the administration of the income tax as to whether the payments made by the Unemployment Grants Committee were capital receipts or current revenue.

It is perfectly obvious that to precisely the degree the central government reduces the gross revenues of such companies by the application of the income tax to such payments, it neutralizes the effectiveness of the grants of both the Treasury and the U. G. C.

The case was argued before the King's Bench Division of the High Court in the late spring, and is due for hearing on appeal before the Court of Appeal during Michaelmas session. The court of original jurisdiction held the grant subject to taxation as income. The status of the legal pleadings at the present moment may be summarized as follows:

For the Crown: The case really turns on *stare decisis*. In 1908 the Court of Appeals held the guaranteed interest paid by the British government, under the terms of a concession, to a company in South Africa to be part of the gross revenue from trading for the period to the date of expropriation. (*Pretoria-Pietersburg Ry. Co.* v. *Elwood, C. A.* 98.) Rowlett, J., in giving decision in the present case said that the grant was a "subsidy in the nature of income, and although an extraneous receipt not actually received as a result of carrying on the undertaking, was an annual profit within the income tax acts—accruing to the company by virtue of its being a trading concern." For the company: (1) The grant was made by a government department for the express purpose of assisting in the cost of construction, thereby tending to diminish the capital outlay, which was not an allowable charge against profits; (2) That the grant was not, by its terms, made specifically for the purpose of meeting interest; (3) That there was no revenue from trading and no business or trade was being carried on.

If the ruling of the lower court is sustained, local authorities and statutory bodies will not only be deprived of a very considerable portion of the aid to which they have seemingly acquired a vested right, but the scope of the income tax law will be extended to include almost any receipt of a trading department of a municipality, with the single exception of moneys received from the disposal of a capital asset. In any event, its approval will smother in effective fashion many of the smaller projects undertaken by municipalities in which the Treasury grant and the U. G. C. supplement form an important part of the total. —*The Municipal Journal*, October 24, 1930.

⁂

Elisabethville, Katanga, *Congo Belge*.—The racial problem in Belgian colonial administration has always been delicate. It will be remembered that the policy of Leopold in this connection was perhaps more practical than humanitarian. The Belgians, on the whole, are less interested in fundamental rights and ethical proprieties than in getting a job done in the Congo.

The differences in English and Belgian administration are nowhere better illustrated than in a recent project of the Katanga administration. The *déracinés*—the deraced people—have always constituted a vexing problem in colonial local administration, particularly in those areas in which the superior authorities have sought to return as large a measure of self-administration as possible to the natives. For these *déracinés* the Katanga administration has established a colony —a "*commune indigène*"—of about 80 hectares extent.

The task of governing these miscegenated peoples is complicated by the additional factor of their relations with nationals of other races and with the pure natives of their own derivative stock. The miscegenation, it should be noted, has been deleterious to the native strain, and no compliment to the white race. Most of the miscegenation has occurred, of course, between derelicts of the white race and native women. The *déracinés* are, on the whole, of low intelligence, easily imposed upon and defrauded. For this reason the administration has located its colony far distant from the urban agglomerations of the Belgian Congo, and still within the healthy and arable area in which alone life is possible for these people.

A small plot of land within the colony is granted conditionally to each able-bodied inhabitant. The amount of land granted is probably not more than barely adequate to sustain a family. The authorities admit, however, that the complete promiscuity practiced by the *déracinés* renders the concept of "family" purely hypothetical, and makes the basis of land allotment only a broad guess. The government retains control of the title to the land for the present, but contemplates permitting the inhabitants to purchase the areas for a purely nominal sum and by gradual installments as they orient themselves to a regular and responsible mode of living.

For the present the administration will be entirely in the hands of the Belgian agents in Katanga. The commune will have its own budget, subsidized heavily, of course, by the colonial administration. The Belgians will attend to the installation of water supply, sewers, roads, schools, and all other public works. Especial care is being taken that the rights of the colonists in the fruits of their labor shall be preserved, on the theory that the development of a sense of property rights eventually will extend itself to social relations.

The colonial authorities are taking every precaution to avoid the appearance of providing institutional charity for the *déracinés*. The colonists are to provide their own habitations. The government will, however, supply materials which can be paid for over a very considerable number of years. Nor is the colonial administration prepared to push the provision of various utilities, such as electricity, until the colonists are interested and prepared to make at least a nominal contribution to their cost.

Elisabethville is primarily a remedy and an experiment. As a remedy it is removing from the influence of the European urban areas a type of person who, in the opinion of the Belgian administration, has demonstrated himself totally unfit for urban life. It has thereby simplified its own problems of sanitary and police administration in these areas. As an experiment, it will reveal, to the extent it is honestly conducted, the capacities of these *déracinés* to order their own lives. And perhaps most importantly, it probably will reduce the practice of miscegenation by isolating the people with whom color-line crossing is most frequent.—*Le Mouvement Communal*, September, 1930.

⁂

Infant Mortality in Calcutta.—The recent report of the health officer of Calcutta reveals certain very arresting facts concerning infant mortality. Out of 6,138 infantile deaths registered in the town and amalgamated area, no fewer than 2,060 occurred during the first week of birth. The chief causes of death in this early period were:

Congenital debility	1,092
Premature births	683
Tetanus neonatorum	193

Approximately 1,080 deaths were from among babies one week to one month old. Thus, about half of the total infant mortality occurred among infants under one month old. The principal causes of death of babies from seven days to one month old were:

Tetanus neonatorum	380
Bronchitis and bronchial pneumonia	210
Congenital debility	150

Commenting upon these statistics, the health officer wrote as follows: "Poverty, which is the direct cause of many women being ill-fed and badly housed, ignorance, child-marriage, the rigorous purdah system, all combine to undermine the health of the mothers, and weak premature babies are the result." Tetanus neonatorum, says the H. O., is due solely to "dirty midwifery" and is therefore entirely preventable. It is said to be practically unknown among the thousands of cases attended by corporation midwives.

A considerable portion of deaths among infants from three to six months results from respiratory diseases, and overcrowding under insanitary conditions is said to be largely responsible.

The infant mortality rate, per thousand, among the different communities of Calcutta was as follows:

Hindus	261
Muslims	398
Indian Christians	163
Non-Asiatics and Anglo-Indians	136

The Simon report, particularly the volumes of evidence, have modified in very considerable degree extant opinion concerning conditions of public health and welfare in British India. It was the privilege of the editor to discuss these points in some detail with Indian representatives at the British Institute during the past summer. The general opinion in the Indian services is that in health affairs corporations such as Calcutta are permitted a laxity which, while avoiding the onus inevitably consequent upon the vigorous administration of any regulations concerning prenatal care which might interfere with purdah, permit many needless deaths of new born children. It is conceded that in this particular phase of health administration the corporations have been least effective.

The Calcutta corporation is a heterogeneous agglomeration, as are all the corporations in British India. The precise limits to which officials of the corporations may go in contravention of local customs and religious rites is delicate and indefinite. Purdah seems gradually to be breaking down among all save the Muslims, and, so the writer was informed, even here it would be possible to exercise prenatal observation and care if the activities of the authorities were properly understood by the natives. Purdah, or the isolation of women before childbirth, is not enjoined by the Muslim religion. It is a purely voluntary practice adhered to by the Muslims. But, it was explained, purdah does not mean absolute seclusion, but primarily seclusion from the father of the child.

There is still, however, the very impressive percentage of infant deaths which can be charged up to nothing save poverty. It was generally conceded by Indian civil servants with whom the writer conferred, that there is no immediate hope of reducing the infant mortality index to a percentage comparable with that of western peoples because the causes of poverty in India are apparently impregnable.—*The Calcutta Municipal Gazette*, September 20, 1930.

GOVERNMENTAL RESEARCH ASSOCIATION NOTES

EDITED BY RUSSELL FORBES

Secretary

Recent Reports of Research Agencies.—The following reports have been received at the central library of the Association since October 1, 1930:

Taxpayers' League of St. Louis County, Inc. (Duluth):

St. Louis County Work Farm.

The Chamber of Commerce of Kansas City, Missouri:

A Traffic Control Plan for Kansas City.

Bureau of Efficiency of the County of Los Angeles:

Survey of the Organization and Operation of the County Hospitals of Santa Barbara, California.

Survey of the Recorder's Department of the County of Los Angeles.

*

Des Moines Bureau of Municipal Research.—A committee on the preparation of a master budget for operating and capital expenditures for the taxing subdivisions of Polk County has been organized under the auspices of the Des Moines Chamber of Commerce. The Bureau is acting as technical adviser. Subcommittees have been organized and are working on their respective activities.

The city garbage division has installed a system of motor vehicle accounting on forms prepared by the Bureau.

The Bureau made a report to the board of supervisors showing how collections from relatives and guardians of pay patients in public insane institutions have fallen off in the last few years.

The Bureau has made an exhaustive analysis of Iowa cities' share of total tax levies in this state. This shows that of the $100,000,000 general realty and personalty taxes levied in this state, Iowa cities and towns, with only 31 per cent of the assessed valuation, are paying 48 per cent of the total taxes. It also shows that, with only a 40 per cent increase in actual wealth in this state between 1912 and 1927, tax levies for all purposes have increased 183 per cent.

The Bureau, coöperating with the city health division, has collected data regarding milk inspection practices in other cities, in view of the proposed revision of the local milk ordinance.

The Bureau is making a study of the prohibition cases in the district court, from the standpoint of the county attorney's and other fees and costs collected.

The Bureau made a report to the county auditor recommending how election expenses could be curtailed by comparison with the economical city elections this past spring.

*

Division of Municipal and Industrial Research, Massachusetts Institute of Technology.—The Division has completed field studies for an industrial report on El Paso, Texas. A report on industrial conditions in Vermont, made for the New England Power Association, will be completed before the end of 1930.

*

Schenectady Bureau of Municipal Research.—The annual dinner meeting of the Bureau was held on November 25 with about 300 members and guests in attendance. The speakers were Stephen B. Story, City Manager of Rochester, New York, and Mayor Frederick C. McLaughlin of White Plains, New York. The managing director of the Bureau presented a report of the year's activities together with a work program for 1931.

In a recent monthly letter, the Bureau renewed its recommendations for an improvement in local civil service conditions based on a study made in 1928. The Bureau report recommends the establishment of a full-time personnel director for the city service. A committee from the board of directors will call upon city officials to urge this improvement in administrative procedure.

The city council finally approved an item for $5,000 for a complete audit of accounts of the city as suggested by the Bureau. As reported previously, a considerable increase in revenues was made possible through the work of the Bureau and close coöperation throughout the budget discussion obtained between the Bureau and city officials.

NOTES AND EVENTS

EDITED BY H. W. DODDS

Notes from Great Britain.—Important and far-reaching changes in local government in Great Britain are being put into effect under the local government acts of 1929 and acts for the valuation of property for local taxation, and consolidating and codifying the poor law. The local government acts add much to the authority of the county councils by abolishing special and district boards for poor law, education and highway administration, and giving added powers for the further development of town planning. Provision is made, however, for district committees, subordinate to the county councils, the details of which are being worked out by the county authorities; while the acts also provide for the rearrangement of these districts and of electoral divisions from time to time. There is considerable variation in the extent to which the different county councils are delegating authority to the district committees, and in distributing functions to different committees. For example, shall the control of school buildings be voted in the education committee or the property committee?

COUNTY PERSONNEL

The increased importance of the county is calling attention to the qualifications and status of the permanent local officials and the type of persons chosen for the councils. At the summer meeting of the Institute of Public Administration, held at New College, Oxford, in July, one of the subjects for discussion was whether the higher officials should be selected from those already in the public service or from outside. Officials prefer selection from those in the public service. But it has been urged that this often limits the higher posts to those with limited education who have entered the lower ranks; and that men of broader education and training are needed for the higher posts. It has also been said that members of county councils are to a large extent the owners and managers of property, whose main interest is often in keeping down the rates; and that with the increased social functions of the councils a larger representation of other types is needed.

ASSESSMENTS

Under the rating and valuation act of 1925, larger assessment districts have replaced the former parish system, with a review by county authorities, and an advisory central committee. The annual report of the central valuation committee for the year ending March 31, 1930, shows that 25 counties now have a full-time valuation officer, and 30 other counties employed professional valuers. An act of 1930 has set up a central railway assessment authority, which includes representatives from various associations of local government authorities. The new valuations for the past year show an increase of 13.5 per cent from the previous year. Average rates and the total amount of rates were reduced; but this was more than offset by the increase of government agents.

LOCAL EXPENDITURES INCREASE

Local expenditures continue to increase, except for poor relief, where the reduction may be ascribed to the larger expenditures by the central government for pensions and health and unemployment insurance.

The financial report for Birmingham for the year 1929–30 shows substantial profits from gas and electric works and tramways, aggregating, £640,000. The water service showed a small loss, but this has been decreasing, and was expected to be self-sustaining for the current year.

HOUSING

An outstanding development of municipal activities in recent years has been in the construction of housing accommodations, largely aided by governments subsidies. Everywhere throughout England and Scotland one sees extensive groups of new houses, built on general plans, and distinctly more comfortable and attractive than the great mass of older dwellings.

Another development of importance is the increased attention of recreation facilities. This is especially notable in summer resorts, such as Scarborough; but also may be seen in many of the smaller and inland towns.

BUS TRAFFIC

Even the casual visitor is impressed with the enormous development of bus traffic in Great Britain. Much of this, especially the interurban and long distance service, is operated by private companies and the railroads. But there are also many municipal bus services. Glasgow has secured an act giving it exclusive control of local transportation. The Edinburgh city government operates a series of sight-seeing buses.

The regulation of the increasing volume of road traffic has led to the passage of a road traffic act centralizing control in the ministry of transport. Speed limits for private passenger vehicles will be abolished; but heavier and public service vehicles will be more strictly regulated; and compulsory insurance will be required.

John A. Fairlie.

* * *

First International Traffic Tunnel Officially Opened to Public.—Midnight, November 2, 1930, the first international sub-aqueous tunnel in the world, located under the Detroit River, connecting Detroit, Michigan and Windsor, Ontario, was officially opened to traffic.

The Detroit and Canada tunnel is approximately one mile long from portal to portal. The American portal is but a few hundred feet from the center of the financial and shopping center of Detroit, while the Canadian end is located in the very heart of Windsor's rapidly expanding business center. The roadway in the tunnel is 22 feet wide, allowing one lane of traffic in each direction, and an extra lane to spare. This permits of the removal, both quickly and safely, of disabled automobiles. Traffic will be so regulated that despite the fairly high rate of speed, driving in the tunnel will be safer than surface driving in the surrounding streets. The estimated capacity is 1,000 vehicles an hour in each direction.

One of the most elaborate ventilation systems ever devised has been installed in the Detroit and Canada Tunnel, with the result that air in the tunnel is purer than the air in the street outside.

The total amount of fresh air that can be supplied to the ducts of the tunnel is approximately 1,500,000 cubic feet per minute, which gives a complete change of air throughout the tunnel every 90 seconds. Fresh air comes into the tunnel under the roadway, escaping through curved apertures near the curb line. Used or vitiated air is drawn off through two rows of openings located at frequent intervals in the ceiling of the tunnel.

It is interesting to note that three separate methods of construction were employed in building Detroit's great sub-aqueous highway to Canada. Probably the most spectacular construction feat was the fabrication, launching, towing and sinking of the nine steel tubes comprising the under-water portion of the tunnel. These tubes have an aggregate length of more than half a mile, all of which is under water.

Next in spectacular appeal were the shield-driven sections amounting to one-quarter mile. The rest of the tunnel was built by the so-called cut and cover method and through excavation of open approaches. Thus, half of the tunnel will be seen to be under water and the other half under land.

The tunnel will prove a boon for travelers going east by Niagara Falls and Buffalo, and will effect a saving of more than 100 miles over the short route south of Lake Erie.

Commuters, however, will find the tunnel most useful of all. Ending as it does, in the business district of both Detroit and Windsor, it will enable commuters to travel from City Hall to City Hall in from three to five minutes. A miniature city has been erected at each end of the tunnel, for housing tunnel officials, government officials and equipment. Some ten structures have been built on each side of the river. Terminal plazas are large, so that traffic entering or leaving the tunnel spreads out fan-wise to facilitate rapid inspection by customs and immigration authorities. International travel at this point should take on a new spurt.

Martin H. Kidder.
The Link-Belt Company.

* * *

Freight Rate Structure Brings Industrial Decentralization.—The policy of the Interstate Commerce Commission to disapprove low long-distance freight rates, the revival of highway transportation and the astounding growth of traffic through the Panama Canal since 1920, are operating to relocate American industries, and this is resulting in a decentralizing of industry in this country, said Dr. Lewis C. Sorrell, Professor of Transportation of the University of Chicago, speaking before the Industrial Property Division of the National Association of Real Estate Boards. Dr. Sorrell states that the most important factor in the scattering of industry has been the changing policies on railroad freight rates. He described the revival of highway transportation as the major transportation development of the present century, but said that the trend to greater uniformity and stability of railroad freight rates was responsible for most of the plant relocation or the establishment of branch factories to break up the distances to markets.

Dr. Sorrell outlined the old rate policies under which many industries originally established their plants and which, in general, provided freight rates to markets that increased so slowly that distant producers often could reach a given market at a cost but little greater than that borne by a local producer. The breaking down of this system under government control and the general absence of embargoes now makes transportation of the products of industry more of a factor than it was ten or fifteen years ago, and manufacturers are now dotting the country with their branches or pulling up entirely from the old locations to go nearer their markets.

"Unquestionably much of this relocation is from the large metropolitan districts to the smaller cities near these centers," said Dr. Sorrell. "There is a movement of industry from New York to New Jersey and from New York to Connecticut.

"The South Atlantic states have enjoyed the largest gain from industrial relocations from other sections and the Middle Atlantic states have sustained the largest losses. All sections of the country have enjoyed a considerable amount of branch plant establishment, but the most conspicuous gains in this class of location are recorded for the South Atlantic, Middle Atlantic, Central States, and the Pacific Coast.

"Industries that have not established branch factories to shorten the distance to their markets have met this situation by sacrificing profits. Industries in the Middle West which had built up a substantial business on the Pacific Coast have found this business rapidly declining because of lower rates under which their competitors on or near the Atlantic Coast may ship by water, or rail and water. Some of these industries have been forced to establish or use factories farther east to supply their Pacific Coast trade."

*

Regional Government for St. Louis Defeated at Polls.—The proposed consolidation amendment providing for a federated government under a new municipal corporation in which the city of St. Louis and the outlying county of St. Louis would be united under the name of City of Greater St. Louis, was decisively defeated at the November election. The amendment received a majority in the city of St. Louis, but was disapproved by a majority in the county concerned, as well as by the voters of the rest of the state.

It does not appear that the negative vote was the result of particular opposition throughout the state as a whole to the new plan of government for the St. Louis region. Other amendments were up which involved large economic interests, opponents of which had instructed the public to vote "No" on all propositions. Unfortunately the amendment affecting St. Louis was caught in the avalanche of negative votes, although many of the people voting thereon had no direct interest whatsoever in the question.

*

C. R. Woodruff Honored by British.—Clinton Rogers Woodruff, honorary secretary of the National Municipal League, has been appointed an honorary adviser to the Civil Service University and Professional Association of England. This association is a new organization intended to bring together civil servants who are continuing their studies after appointment to the service. For many years, writes Mr. Woodruff, most of the civil servants were university men—mostly from Oxford and Cambridge—but recently there has been an increase in the number of men and women who have entered the service in more or less minor positions but who have through extramural courses qualified themselves for more important positions. It is the interests of such people that the new association is designed to serve.

*

Wayne County Manual.—We congratulate the Board of Wayne County Auditors (Detroit, Michigan) on a 1930 edition of the Wayne County Manual. This publication is described elsewhere in our columns. We wish merely to note here that the report of the Board, attractive in form and rich in data concerning the county government, is a valuable textbook on the subject.

*

Institute of Municipal Affairs.—Professor K. R. B. Flint, Director of the Bureau of Municipal Affairs at Norwich University, announces that the Fourth Institute of Municipal Affairs will be held at Montpelier, January 14–15, 1930, during the week following the opening of the General Assembly. At that time consideration will be given to the formation of a Vermont League of Municipalities.

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